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The Week

AT THE beginning of 1935, the world horizon is perceptibly darker than it was one year ago. The past twelve months have seen the repudiation of the principle of naval limitation, and the flat abandonment of efforts to bring about limitation of all armament through the League of Nations. While two real war dangers were averted at least for the present—the dangers centering around Jugoslavia's quarrel with Hungary and Germany's struggle with France over the Saar—no one who is awake to the realities of the situation can pretend that we are not nearer to a major war than we were a year ago. The worldwide economic outlook also continues anything but cheerful. No country has made really noteworthy gains in the past year, although for political reasons some of them pretend they have. In the United States, the general level of business is substantially higher than it was in September, but still below the point reached in last spring's upturn. There is an undoubted, steadily growing disillusionment with many phases of the New Deal, even though Mr. Roosevelt's own popularity continues high, and no really formidable opposition has yet appeared. Meanwhile, labor struggles go on in a deepening atmosphere of violence, and, as is reported in an article in this issue of The New Republic, the signs of incipient fascism multiply on every hand. Under such circumstances, "Happy New Year" can express only a fervent hope.

AN INTERESTING footnote to Stuart Chase's article on page 237 of this issue of The New Republic is the report of the Federal Reserve Board that for the first nine months of 1934 industrial profits were 70 percent greater than in the corresponding months of 1933, while preliminary income statistics indicate a striking gain in the profits of 1933 over those of 1932. In spite of the fact that the deficits still greatly outweigh the net incomes, since the beginning of the New Deal profits have advanced more rapidly than any other segment of the national income. This is due partly to an increase in volume of production, but probably in a far greater degree to the fact that industry has raised its prices and enhanced its profit margins. The physical volume of industrial production is now about 76 percent of the 1923-25 level, as compared with 119 percent in 1929. It has been on the downgrade ever since last May, and was lower for the third quarter of 1934, at least, than for the same period of the previous year. It is significant in this connection that the Federal Reserve figures show a decline in profits for the third quarter of 1934, which brought them 25 percent below the third quarter of 1933. This means, in our opinion, that industry has done for profits about as much as it can by raising prices, and not enough to prevent ultimate widespread bankruptcy. Industry must have larger volume of production and sales, and we do not see how that can come about except by a policy of simultaneous low prices and high wages.

NEARLY 20,000,000 persons in the United States are now receiving relief; and of these the federal government estimates that about 4,000,000 are not only unemployed but "unemployable"—through age, invalidism or other forms of incapacity. It is now proposed to transfer these 4,000,000 persons from federal care back to that of the states and cities, and to give "work relief" to the employable

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probably 5,000,000 or more; they will be set to work at wages large enough, it is officially predicted, to take care, without further aid, of their dependents, who number 11,000,000 or less. In most communities, we are told, the change is largely one of bookkeeping; the local authorities are already contributing enough to take care of the unemployables. The chief criticism of this part of the plan has to do with the short period of preparation permitted—the change is to take place on February 1—and with the danger that in places where local funds are low, these individuals may experience great mental anguish, perhaps physical suffering, in the period of transition. The reason for the change is, no doubt, the federal authorities' desire that everyone able to work shall be put on work relief; the cities will now have a good reason for encouraging the able-bodied to go to work for Uncle Sam rather than to accept their own charity.

AS FOR the work-relief program itself, we need to know many details as yet obscure before we can judge it intelligently. What projects will be undertaken? What wages will be paid? From Washington come suggestions regarding the elimination of grade-crossings, rural electrification, an expanded housing program. It is difficult to believe that such efforts as these can utilize 5,000,000 workers or more in a short enough time to serve the desired purpose—to say nothing of the hideous waste of special skills and techniques among the unemployed, many thousands of whom are not only highly trained in their own occupations, but totally unfitted for rough labor of any sort. The great merit of last winter's Civil Works Administration was that to a large extent it first found out what an unemployed man could do and then tried hard to give him work for which he was especially qualified. Since that time Relief Administrator Hopkins has been forced by pressure from private business to cut wages below the minimum of 30 cents an hour heretofore maintained. If 16,000,000 Americans are compelled to live on substantially less than $12 per week per family, then the government will have done its best to keep the depression with us for many years to come.

ON THE general issue of work relief v. the dole, however, our sympathies are all with President Roosevelt and Mr. Hopkins, and against the business men who have been demanding that the unemployed sit at home in idleness under semi-starvation conditions—so that we can have an early balanced budget and a "restoration of confidence." One of the great problems by which the country is confronted is the breakdown of morale among those without work. Other countries with longer and wider experience than ours know that after a few years' idleness an extremely large proportion of workers become incapable of reëmployment, unless perhaps after a long and painful process of rehabilitation. If work relief cost twice as much as the dole it would still be good business merely as a conservation of our most valuable asset—the spirit and skill of many millions of Americans. It is also a matter of simple mathematics to note that the labor of a million workers is worth, in our national income, rather more than a billion dollars a year and that even making a heavy discount for the special conditions existing, if all the unemployed could be put to work, our national increment of wealth could be increased by up to 20 percent. The chief criticism of the present plan is that, like so many other activities of the administration, it represents a sudden decision, suddenly announced, with inadequate preparation, and no assurance that it will be followed long enough to be of actual benefit.

MR. Floyd Carlisle, chairman of the Board of the Consolidated Gas Company, New York, is surely the most inept of public-utility propagandists. New York City, goaded by the notorious fact that the electric-power rates of the private companies are excessive, has made plans to erect a municipal plant or series of plants, with money loaned by the federal government. The utilities, obviously frightened by this prospect, now suddenly come forward with an offer to institute the "Washington plan," under which profits beyond a stipulated amount are used to reduce rates to the consumers. The first answer to Mr. Carlisle is to ask, Why do the utilities wait until faced by the threat of municipal competition before offering a plan whose praises they are now singing so loudly? The second inquiry is, Why should the citizens of New York be satisfied with a plan under which only part of the profits from operation go to reduce their electricity bills, when they can adopt a scheme that automatically ensures that all profits will be so used, and that the "cost of operation" will be a real cost, not a hodge-podge of watered stocks, concealed profits and tribute levied by holding companies? Mr. Carlisle's offer is perfect demonstration of the usefulness of public competition with private utilities in bringing them to their senses; let us not stop here, let us have more of it.

WE NOTE in The Charleston (South Carolina) News Courier an editorial of a tendency not unusual in the United States, and particularly in the South. The Nation and The New Republic, it says, have already acquitted the defendants in the Scottsboro case, the trial having been transferred from the sovereignty of Alabama "to New York, Washington, or other foreign parts." It speaks with scorn of Alabama Congressmen who, if "they like and applaud the Supreme Court of the United States in decisions blotting out the state of Alabama," would perhaps "not complain if it should quietly and gradually deprive Alabama of the right that it has hitherto enjoyed of choosing its juries in its own way and of trying and punishing crimes by its own courts and officers." This refers, we assume, to the right of choosing juries from which Negroes

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are excluded to try Negroes for capital crimes, and of conducting these trials in a way that the Supreme Court has declared is a perversion of justice. We have long known that many persons in the South believe New York to be a "foreign part," but we did not hitherto suspect that they still think in the same way of the capital of the nation. We do not regard either Alabama or South Carolina as foreign, and what goes on there seems to us a fit subject for discussion anywhere in the country, the more so when it may reflect on the honor of the American people. We even claim the right to discuss the administration of justice in Germany or Japan. If The News Courier wants to protest at anything that goes on in New York, Massachusetts or California, we shall not take the slightest umbrage.

AT THE recent hearings on radio before the Federal Communications Commission in Washington, a number of well known persons appeared and testified in favor of the present system of private broadcasting. Commenting on this fact, The New Republic in its issue of November 28 said that "it would be interesting to know" whether these individuals appeared at their own volition and expense, or at the suggestion of the broadcasters and with their financial assistance. Since this statement has apparently been misunderstood in certain quarters, we wish to emphasize that our statement meant only what it said; that we did not suppose, or intend to suggest, that anyone received more than his expenses for appearing, or that all the members of the group, or any specific individual, received any financial assistance whatever, or that all the members of the group, or any specific individual, had been solicited to appear by anyone representing private broadcasting interests. Since our editorial appeared, however, we have been informed from an authoritative source that some of the individuals who testified did have their expenses paid; and we have received a letter from an official of an important broadcasting chain admitting that a number of persons had been urged by this chain to go to Washington and testify.

THE second release of the National Resources Board report—that dealing with water planning and prepared by the Mississippi Valley Committee under the chairmanship of Morris Llewellyn Cooke—presents a stimulating and attractive outlook for social use of the waters of the great Mississippi Valley, involving as integral parts flood control, erosion control, navigation facilities and hydro-electric power. The power facet of the plan naturally gleams brightly, since it advises the construction of a number of plants throughout the region, and the formation of a single great power pool through national control of transmission. Such a unified power plan is now in actual operation—on a much smaller scale of course—in Great Britain, and is engineering to be found anywhere in the world. The Committee justifies the construction of hydro-electric plants whose generating cost would be somewhat higher than that of steam plants on the interesting ground that it would be a conservation measure to diminish the rapidity with which we encroach on our exhaustible resources of petroleum and coal. Like the T.V.A. power development, the ultimate success of a program like this depends on the existence of an expanding economy. If production, consumption and capital investment are to go on growing, there will be use for new power, and planning will aid a rational development of new industrial and farming regions. No plan of this kind in the setting of private enterprise can, however, provide the expansion. Will capitalism do it? On that score there may be doubt.

UP TO last Sunday 117 persons had been executed in Soviet Russia as the direct result of the Kirov assassination. Moscow reports the existence of two concurrent conspiracies against the existing regime. Allegedly Kirov was the victim of a Communist terrorist group, followers of Gregori Zinoviev, one-time political dictator of Leningrad. This group, the assassin Nikolaev is reported to have confessed, planned the murder of the most prominent of the Soviet leaders—Stalin, Molotov, Voroshilov and others. If that is true, the fourteen who were executed for complicity in this conspiracy deserved punishment. Unfortunately the star-chamber methods employed by the Soviets leave one unconvinced. To what extent are Zinoviev and Kamenev implicated in the plot? The hysteria of Karl Radek's and Nicolai Bucharin's charges against them in Pravda and Izvestia fails to carry conviction. Facts are always more impressive than vituperation. Particularly, the arbitrary implication of Leon Trotsky seems groundless. Trotsky's connection with the Zinoviev group was never more than superficial and ceased completely when Zinoviev's supporters returned to the party fold in 1928 and, in the manner of all renegades, immediately demanded and obtained the expulsion of the man with whom they had just stood shoulder to shoulder against the Stalin regime. Russia's right to crush Nazi-White Guard conspiracies or other plots of murder and arson no one questions; few have anything but approval for it. What is in question is the guilt of particular persons who have not been tried in an open court of law.

SHORTLY after the San Francisco general strike there were raids on radicals and suspected radicals throughout California. More than 1,000 persons were arrested. Of these, thirty-three were arrested in Sacramento. Of these thirty-three, eighteen are now on trial at Sacramento under the 1919 Criminal Syndicalism Act. Except for a few deportation cases all the others arrested in the July raids have been released. This is not the least significant thing about

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quarters of the Cannery and Agricultural Workers' Industrial Union, which has been giving the growers so much trouble in the past year. Thus it is worth noting that among the eighteen prisoners, ten are officers of that union. There has been a process of elimination to pick these ten out of a thousand. Concerning the indictment and trial of these eighteen a number of interesting things have come to light. Two members of the grand jury that indicted them belong to the Citizens' Committee, an organization which, according to one of the jurors, had previously urged District Attorney Neil R. McAllister to indict the defendants. It is not surprising that the District Attorney admitted in court that "The Communist party is virtually on trial." The case sounds more than a little like that kind of trial.

SOME weeks ago we pointed to Gottfried Feder's unceremonious dismissal from German political life as symbolic of the death of National Socialist economic theory. Feder's doctrine of "interest slavery" was to the Third Reich what the theory of the class struggle is to the Soviets. At the root of all evil were interest slavery and the Jews who, by exacting interest payments, had condemned Germany and the world to eternal servitude. Until Hitler's accession to power, state monopoly of credit and the abolition of interest obligations were the Nazi answers to all economic problems. Now this theory, which never led to any practice, has been given official burial at a party-membership mass meeting in Hanover last week. No less a personage than Bernhard Köhler, chief of the Commission for Economic Policy of the National Socialist Party, propounded in its place a new economic theorem of the Third Reich in words the simplest mind can understand: "Pay off your debts. Do not incur new debts. Without debts there will be no interest slavery."

ACCORDING to news reports, the Minister of Agriculture, Richard Darré, last of those in power in the Reich to stand by the "Socialist" wing of his party, has been dismissed. His personal organ, the East Prussian News, was suspended on December 31 because of a memorandum from Darré to Schacht that was, in effect, an ultimatum demanding an 80-percent devaluation of the mark. Germany, declared this document, cannot recover unless her export trade is restored; radical inflation, it insisted, is the only answer. Schacht, who is still opposed to an inflationist policy, regards this pronunciamento as an offensive against his supremacy in the Reich. The fight is on for the annihilation of one or the other of the two contending groups. Our bet is on Schacht as the winner.

WHAT will be the outcome of Germany's new economic orientation? It is our guess that the Reich will continue to muddle along. The "inevitable collapse" of her economy so vociferously forecast for the coming winter will not occur. True, her many's refusal to meet her foreign obligations has had a disastrous effect on her credit in the world market and has reduced her import facilities to the vanishing point. But by the same token vast sums were released for domestic purposes, the gold reserves of the Reichsbank were slightly increased and because it paid in cash the Reich was able to obtain advantageous terms for the huge imports required by its munitions industries. Important American business interests that receive payment in advance for orders running into millions have no quarrel with the Hitler regime.

WAGES in the Reich are falling and German labor in industry and agriculture has sunk to a subsistence minimum below which may be real danger for the government. Unemployment figures were reduced by millions through the simple expedient of enrolling the youth of the nation in public-works camps where they receive pocket-money instead of wages. But the government has avoided extreme suffering. It has been able to satisfy the primitive needs of the population. On the other hand, by paring national consumption to the bone, it has been able to dispense with many foreign imports and find domestic substitutes for what it cannot produce at home. Germany's economic dictators still shy at the word "self-sufficiency," but Dr. Schacht has made it plain that his reform program is simply a program of economic autarchy, with increasing import restrictions and a growing system of price regulation. The Third Reich is bankrupt. But have not bankrupt enterprises in the past been able to hoodwink their creditors for years as to the real status of their affairs?

AN INTERESTING and valuable experiment in educational methods is to be tried by Bard College (formerly St. Stephen's College), which is part of Columbia University. Following somewhat the paths marked out for the women students of Bennington College, the men at Bard College will have an academic year of two semesters, one extending from Labor Day to Christmas and the second from Lincoln's Birthday to June. The six-weeks mid-year period will be devoted to field work and independent reading more or less under the students' own guidance. In addition, the college will reverse the usual order of special courses and general surveys. Instead of having the freshmen asked to scatter their attention by broad, reputedly cultural courses, specialization will come first—making use of the unfrittered enthusiasm of the student—and the generalized courses are to come after a thorough mastery of the student's own field. Entrance requirements are greatly modified; classroom work practically disappears, and all the emphasis is on helping the student to do well the things he wants to do, and for which he seems fitted. The Bard experiment is one more sign of the profound self-searching through which the American educational system is now going.

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Decision in the Pacific

NOW THAT Japan has given notice of her intention not to renew the naval-limitation treaty when it expires two years hence, it is time for the American people seriously to consider the policy of their government in the Pacific. We have no hesitation in predicting that a continuation of the tendencies of the past few years will lead directly to a war between Japan and the United States. This may seem such a remote possibility to some of our readers that the statement will sound like irresponsible alarmism, more calculated to bring on trouble than to allay it. We nevertheless insist upon it, in the belief that the danger is real, and for the purpose of pointing out a line of action which, if we begin it now, will avoid the danger. Every month, every year that passes without changing our course in the Pacific area will make it more difficult to turn back when collision looms up through the fog.

For years past, the Pacific policy of the United States has been based upon maintaining the open door in China and, to that end, supporting the integrity of Chinese government. The area is conceived as one that in the future will be developed by foreign trade and investment, and in this development the American diplomats have insisted that the traders and investors of this country should have their chance equally with others. The policy has of course been elevated to a nobler plane than this in its statement: imperialist aggression carving out spheres of influence or imposing foreign political domination on parts of China would lead to conflicts among the Powers and the exploitation of the Chinese, but if all would agree to support an independent China and keep the door open, there would be no danger.

In its conception this policy was realistic and far-seeing. If it had faithfully and honestly been carried out—as it has been by none of the Powers concerned—it would greatly have lessened if it did not completely remove the danger of war in this area. The Powers have formally agreed to it, and in the Nine Power Pacific Treaty, which accompanied the first agreement on naval limitation, they began to implement this agreement. They did not go far enough, however, to enable China to establish a stable national government, and during the subsequent confusion Japan has changed her attitude. She has violated the spirit if not the letter of her promises in Manchuria and Shanghai, and has frankly announced her intention to establish and maintain, in defense of her own interests, a sort of suzerainty in China. She only, she declares, can so stabilize affairs there that the market can be developed, and the other Powers should deal through her as their agent. She still formally adheres to an open door for their trade and investments, but the door must be guarded by her, and doubtless she intends to set up a toll gate across it. In weighty and well reasoned documents of state our spokesmen have as flatly declined to sanction this change of front.

The significance of Japan's demand for a different naval ratio must be read in the light of these facts. The five-five-three ratio was originally adopted on the declared understanding that it was a ratio permitting no one of the Powers concerned to take successful aggressive action against any other in its own waters. Tacitly, however, it was understood by naval strategists that the ratio would permit Great Britain and the United States jointly to checkmate Japan on the Western shores of the Pacific, since a naval force more than twice as great as Japan's could hope to defeat hers, even close to her own bases. Japan was willing to consent to this as long as she saw no possibility of collision —that is, as long as she was willing to submit to the policies favored by the Western Powers. Now, however, that she has decided to use a free hand, she logically demands a new ratio such that her navy may dominate in her sector against any possible combination of Great Britain and the United States. A fighting force equal to ours would not enable her to attack us, but it would safeguard any operations by her in China.

Just as we refused to sanction any change in the traditional policy of the open door, now we decline to agree that Japan shall build the fighting power necessary to challenge that policy. We have maintained an unyielding position all along the line. Perhaps it was wise to do so in the hope that a show of resolution would cause Japan to reconsider and withdraw. Nothing is now more obvious, however, than that this strategy is ineffective. More than that, it enables the imperialist and military forces in Japan to reaffirm their position and strengthen their internal support. They play upon the humiliation of national pride and harden the national will for a coming struggle with this country. From now on a continuation of stubborn determination on both sides, expressed in a naval race and in public pronouncements, can only embitter the quarrel.

The open door may have been a good policy as long as those concerned would voluntarily agree to it, but is it worth fighting for? Our investments in China, our trade with China, however large they might be, would not be worth one drop of blood; and as a matter of fact they are relatively small. So obvious is this to the majority of the American people that they naturally would refuse to believe that any officials in Washington would go so far as to wage a war in this cause. Nevertheless the issue will not be stated in these terms. It will be stated as a crusade against Japanese imperialism, as a validation of solemn international promises, and the like. We all know how incidents, in the proper setting, can be used for incendiary purposes. And in the background there lurks the consciousness on the part of many, however much it may be suppressed, that a war is the way *par excellence* to revive business and employment. Suppose, as is likely, the depression fails to mend materially for many months to come

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suppose that, as a result, domestic strains and antagonisms increase alarmingly. Suppose those in power grow genuinely frightened. And then let the issue with Japan become sharpened, let the incidents occur. How many Hearsts, how many Chicago Tribunes, would not seize such a God-given opportunity to sweep the masses off their feet?

It is easier to turn back now than it will be then. This is no time for sentiment, for failure to recognize the realities of the situation. It is always difficult for a government to surrender a long cherished policy. But let us sharply consider now whether we really wish to fight for China against Japan, whether we want to wage a war for Chinese trade. If not, then we must stop talking about the open door, and we must grant Japan naval equality. She could not possibly attack us if she had it, and she would not want to. The arbitrament of the Far East, the punishment that an imperialist course will surely bring to the Japanese in the end, could be left to some other force than that of American sailors and soldiers.

The Guild Gets the Run-Around

THE Dean Jennings case, described in full on page 247 of this issue, follows the familiar pattern of events that workers have come to call the "National Run Around." It is another repetition of the almost habitual failure of the N.R.A. to enforce the decisions of the labor boards. Mr. Jennings has won a clear decision from the National Labor Relations Board but, thus far, he has not been able to get his job back.

In the Jennings case, however, a larger issue is involved. For the action of Mr. Donald Richberg in supporting the publishers' contention that the Newspaper Industrial Board is a fair tribunal to hear labor disputes amounts to a betrayal of the rights of workers. This board has eight members, four representing the publishers and four representing the workers. It perpetually deadlocks on vital issues and is thus, by its nature, incapable of speedy action. Indeed, it is almost incapable of any action. One of the rules of this board is worth emphasizing: in hearing labor complaints, the board requires that evidence, to be admitted, must receive a majority vote. Thus the four publisher members can—and frequently do—bar testimony they do not wish to hear. Obviously, a set-up of this character militates against a fair hearing for labor.

The functioning of the board becomes even more biased when one or more members are absent from a hearing. Evidence must then receive a unanimous vote to be admitted. Accordingly, if one publisher is absent, any one of the remaining publishers can bar evidence by declaring that he believes it "irrelevant" or "improper" and so on. Yet it is on the basis of hearings held in accordance with these rules that labor disputes in the newspaper industry are supposed to be adjudicated. If the board itself cannot reach a decision, an "impartial" ninth member must be agreed upon. He must then attempt to reach a "fair" decision on the basis of a transcript of the hearings—a transcript that very likely excludes much evidence that might be favorable to cause of the labor complainant. For this judicial service, the judge receives a fee of $250—half of which the labor complainant or his union is expected to pay.

These rules are enough to discredit the board as a fair tribunal. In addition the board is utterly unsatisfactory in that it does not sit regularly. It meets whenever the members can find time to get together—once a month, once in two months, etc. Furthermore, it does not necessarily meet in the city where the labor dispute it is hearing has occurred. It may meet in New York to hear a complaint from Boston. The workers in Boston must then pay the expenses of the trip themselves.

What the N.R.A. expects this board to decide is a mystery. It has already voted on the question of whether it has exclusive jurisdiction in newspaper disputes. And its vote, true to form, was a deadlock—the four publishers voting for exclusive jurisdiction and the four workers voting against it. What the N.R.A.'s action actually means is that a real show-down in the Jennings case will be delayed for perhaps another month. When the board last convened in New York, it decided that it would be unable to meet again until late in January—if then.

Meanwhile, the newspaper workers have learned that they can expect no more from the N.R.A. than can any other group of workers. Like the steel, the automobile, the textile workers, they are merely referred to another board. It is unlikely, however, that the Newspaper Guild will submit to a board that represents the publisher-controlled code authority—even on Mr. Richberg's recommendation. Like the textile workers, newspaper men and women know that such boards are not established and do not function for the betterment of labor.

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U. S. Corporations, Inc.

THE Internal Revenue Division of the Treasury has recently released its summary, based on income-tax returns, of all American corporations for the year 1932. As the results are based on twenty years of income-tax reporting and Treasury auditing, they are now generally conceded to be not far from the facts, so far as earnings are concerned. No fewer than 508,636 companies are included, a corporation for every 250 persons in the country. In addition there are some 60,000 inactive corporations on the records.

If we combine the 508,636 into one mammoth corporate entity, how did the monster fare in 1932? It did not fare so well. Here is its income account:

Gross income.....	$81,084,000,000
Costs and deductions.....	86,727,000,000
Net loss for year.....	$ 5,643,000,000

The American corporate system was thus more than five and a half billions in the red. On every dollar of sales, it lost seven cents. Nevertheless, despite this loss, which is more than the entire gross income to agriculture in recent years, the system disbursed no less than $4,028,000,000 in dividends —$3,885,000,000 in cash, $143,000,000 in stock. Thus the total impairment of the corporate surplus for the year reaches the heady figure of $9,671,000,000. As a going concern, U. S. Corporations, Inc., slipped behind almost ten billion dollars in one depression year. When to this is added the losses for proprietorships, partnerships and other non-corporate activities combined, including the farmers, the final net loss for American business as a whole in 1932 is obviously a staggering figure. The corporate sector is always the more profitable one.

Did all corporations lose money in this ratio? No. The Internal Revenue accountants obligingly make a distinction between the red division and the black division, as follows:

CORPORATIONS MAKING: (000,000 omitted)

	Losses	*Profits*	*Total*
Gross income..	$49,376	$31,708	$81,084
Deductions ...	57,172	29,555	86,727
Loss or gain...	$7,796 loss	$2, 53 gain	$5,643 loss
Dividends paid	1,618	2,410	4,028
Impairment of surplus	$9,414	$257	$9,671

Thus the red division lost $7,796,000,000, but paid out $1,618,000,000 in dividends regardless, sinking the section by $9,414,000,000. The companies fortunate enough to stay in the black made $2,153,000,000, but disbursed $2,410,000,000 in dividends, leaving them $257,000,000 in the hole for the year. The gross income of the reds was eighteen billions greater than that of the blacks, indicating roughly that the companies making money were doing only two-thirds as much business as the companies losing it, and that the latter had proportionately greater losses. The reds lost 15 cents on every dollar of sales, while the blacks earned 6½.

So much for the income account. Now let us turn to the balance sheet. The assets and liabilities of all the 508,636 corporations were:

ASSETS		
Cash	$15,917,000,000	
Notes and accounts receivable	39,564,000,000	
Inventories	12,372,000,000	
Investments, tax exempt	11,917,000,000	
Investments, taxable.....	75,630,000,000	
Fixed assets (less depreciation)....	108,553,000,000	
Miscellaneous assets.....	16,129,000,000	
Total assets.....		$280,082,000,000
LIABILITIES		
Notes and accounts payable	$20,562,000,000	
Bonds and mortgages....	47,310,000,000	
Miscellaneous liabilities..	78,642,000,000	
Total liabilities.....		$146,514,000,000
NET WORTH		
Capital stock (preferred & common)	$97,488,000,000	
Surplus	36,080,000,000	
Total net worth.....		$133,568,000,000
Total liabilities and net worth...		$280,082,000,000
Surplus, January 1, 1932		$ 45,664,000,000
Less: net operating loss..	$5,643,000,000	
dividends paid....	4,028,000,000	9,671,000,000
		$ 35,993,000,000
Add: sundry adjustments		87,000,000
Surplus: December 31, 1932, as above		$ 36,080,000,000

The book surplus of the corporate system was $45,664,000,000 on the first of the year, and it was down to $36,080,000,000 by the end of the year. Four more years like 1932 and the whole surplus would be gone, leaving nothing out of which to pay dividends.

Nineteen hundred and thirty-three was a little better year than 1932, and 1934 a little better than 1933, judging by estimates of the national income so far released. It is safe to say, however, that both years showed very handsome losses for the corporate system as a whole, and that those losses combined were probably as great as for the single year 1932. The surplus one may fail

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now not over twenty-five billions. The margin for dividends is shrinking.

The 1932 balance sheet shows assets of $280,000,000,000, which if true would be more than the entire net national wealth as conservatively estimated for that year. The figure is too high, partly through duplication. Holding companies and underlying operating companies are both included. This does not, however, affect the surplus, or the final results.

Were the other items real assets or "book" assets? In good times, most of them were doubtless real assets, in the sense that they were supported by earning power. Now the book valuations have become exceedingly dubious. Cash is presumably a real asset, but how many bad debts are included in the receivables; how many inflated items in the inventories—inflated in the sense of not being valued on the rule: "Cost or market, whichever is the lower"; how much nonexistent goodwill is included in the miscellaneous assets? Have the investments been marked down to stock-market or plain-market valuations? We know that in many cases they have not; they have been left at the old "cost" valuations. For many fiduciary corporations, government examiners have permitted the old valuations to stand.

Taking all these question marks into consideration, there is no doubt that the net assets standing on the corporate books were carried at a figure far too high. Was it as much as $36,000,000,000 too high? One suspects that such was the case on December 31, 1932. Then the book surplus was really nonexistent? In all probability it was. And the capital impaired? More than possibly. U. S. Corporations, Inc., was perilously close to being broke as the bells tolled out a bright new year? One fears that it was. Is it broke today, on December 31, 1934? It is time for good little boys to go to sleep and not ask any more questions.

STUART CHASE.

Fascism Comes to the Campus

The University of California as a Case in Point

THE SET-UP at the University of California is probably very similar to that of other state universities throughout the country. This large education factory is controlled by a Board of Regents composed of a group of men who also control the largest banks, corporations, utilities, power companies and industries in the state. They include such men as John Francis Neylan, chief counsel for The San Francisco Examiner (Hearst), who organized the Red-baiting activities that helped to break the San Francisco general strike this summer; Mortimer Fleischacker, Chairman of the Board of the Anglo-California National Bank; William H. Crocker, president of the First National Bank and a director of the Pacific Gas and Electric Company; A. P. Giannini, of Transamerica fame; Chester Rowell, editor of The San Francisco Chronicle, a paper now engaged in sweetly singing the soft enchantments of fascism; and others equally qualified to govern the policies of an institution of higher learning, as well as two or three who enjoy a general esteem not wholly dictated by their wealth.

President Robert Gordon Sproul is an aggressive, youthful-appearing man with a booming voice, a boisterous laugh, an effective Rotarian manner. He has been well trained in business offices and is a protege of Guy Earle, big industrialist and ex-regent, who engineered him into office at a meeting of the Board of Regents several years ago, to the general consternation of the faculty and of the community at large. The vice-president and provost, Monroe E. Deutsch, is by profession and temperament a professor of Latin. He is a dark, loose-jointed, birdlike creature, whose irregular features are redeemed by their picturesqueness. He also has a good, resonant voice.

The University's big bugbear is the State Legislature. This body is a motley assemblage of queer, unreasonable, untutored fellows with a prejudice against higher education, many of them so poor that they can't afford to pay their fare to the State Capital. It is they who vote the biennial appropriation for the maintenance of the University. President Sproul's chief job is to sell the idea of higher education to these fellows. It is no exaggeration to say that doubts and fears as to the attitude of the State Legislature haunt the University administration like an incubus, creating among faculty and students alike a mood of panicky conformity. It has been the president's successful policy to calculate every official act, every word, every thought with a view to creating a favorable impression upon the persons convened to that august body. In every situation, when confronted by a searing reality, the University has taken an evasive stand. When asked to comment on Governor Rolph's official sanction of the San Jose lynchings, President Sproul said: "It is not my place to criticize my superiors on the Board of Regents."

The student body is composed of some twelve thousand nice, bright, football-loving young people. On the whole they are a healthy, carefree, happy crowd, moderately amenable to the educative process, whose background and training have left them blissfully free from any serious concern with

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the problems of the society in which they live. The best dressed students with the biggest motor cars belong to the numerous fraternities and sororities whose well kept houses with trim lawns and neatly clipped hedges cluster about the campus.

There is a strong student-body political machine, controlled by the fraternal organizations, which guarantees that all student opinion shall be safe and sanely conservative and express just the ideas the administration wishes them to express. After all, their main concern is with student activities, which are happily noncontroversial. For all other matters they implicitly follow the judgment of the administration which, after all, knows much more about them than they do.

Today, when the political issues are daily becoming more clear, the position of the University administration is an extremely embarrassing one, with which any open-minded person must heartily sympathize. The University authorities are as a whole an intelligent, honest, liberal group of men who have at heart the best interests of the University and the advancement of learning. But it is obvious that their servile subordination to the dictates of the Regents on the one hand, and their dependence upon the favor of a benighted Legislature on the other, tie them hand and foot. By the force of things they are committed to a policy of increasing intolerance, dogmatism, suppression of free expression of opinion and of the disinterested pursuit of truth, and to actions marked more and more openly with the stamp of fascism.

As all informed teachers and students have long known, such academic freedom as has existed in the past has been rigorously circumscribed. In spite of the best intentions of many men in strategic positions, the university in America has not on the whole been hospitable to bold, forward-looking, creative minds. It has been a haven for respectable, unadventurous mediocrity. It is not unfair to define academic freedom, as it has prevailed here at least, as the freedom of students and teachers to think the thoughts and do the things of which the most conventional and respected members of the community approve. Pressure has been exerted, not so much through overt disciplining and dismissals as in the subtle process of selection and rejection and in the myriad-eyed control over advancement and salary increases. There is academic freedom to the extent that no teacher has been dismissed for his ideas so far—that is, not avowedly. Teachers are dismissed for incompetence, lack of coöperation, immoral conduct, budgetary reasons, never for what they say or think. But rare indeed are the cases in which a bold, iconoclastic thinker reaches the professional rank. Men in the lower ranks, happily, do not have to be dismissed. They are simply not reappointed, and no reason need be given. In fairness it must be said that there *are* liberal, progressive, socially minded men on the faculty, who keep in close touch with contemporary reality. But they are the exception, not the rule.

The elaborate system of psychological conditioning and of supervision of faculty members' every thought, word and act, pretty effectively guarantees that by the time a man reaches even an assistant professorship, his creative intellectual impulses, his contacts with the social and economic world beyond the limits of the campus, his broad human sympathies, shall have almost entirely withered away.

On the whole things have gone along pretty smoothly during the depression years. The University managed to remain tolerably aloof from what was going on in the world. There were budget and salary cuts, dismissals, curtailments of laboratory and other equipment. From time to time special lecturers would come and speak before student meetings, bringing news of happenings outside—news diluted and distorted, however, for the tender minds. But in the classroom it was easy to forget that there was a depression, that there were millions of unemployed, millions of undernourished children, threats of war. Most of the twelve thousand students do not have, even today, more than a patchwork caricature of a notion of what fascism and communism are.

In the course of these years, however, there has been a series of incidents and shifts in policy that, in the light of tendencies not only in California but throughout the country, appear unmistakable symptoms of growing fascism. Educators used to bewail the fact that American students took so little interest in contemporary life. Now that they have begun to manifest such an interest, there has been a consistent discouragement of attempts to conduct discussions of social and economic problems in student-controlled groups. Advocates of peace are increasingly branded as "Reds." Anti-war and anti-fascist discussions are not allowed. Recently a debate on the subject "Does Preparedness Lead to War?" was canceled because "the subject was of such a political nature that it would not be fair to present it to the students."

For a number of years there has been considerable agitation among the more intelligent and politically minded students for the abolition of R.O.T.C. training. Petitions to sound student sentiment by a straw ballot have been refused, and the principal agitators—members of the National Student League—have on numerous occasions been vilified by the administration in the press and over the radio, with the result that an intense hostility to this group has been developed among the students at large, who have no notion what their offense is. Last year the N.S.L. was finally banned from the campus; its members are now branded as "undesirable," kept under close surveillance and threatened from day to day with expulsion. Last year a student at U.C.L.A. (the Los Angeles branch of the University) was expelled because he refused to submit to military training. Last fall a meeting of students before Sather Gate called to demonstrate against compulsory military training

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was broken up with tear-gas bombs and other forms of violence by an organized group of student vigilantes generally believed to be under the inspiration of certain members of the faculty. With all this, the administration's attacks on communism (fascism is rapidly disappearing from the stereotyped administrative vocabulary) have become increasingly insistent and intemperate.

President Sproul in his recent speeches has made statements that are transparent threats to anyone who ventures to express an independent opinion. On August 31, before an assemblage of fraternal orders including the American Legion, he put forth the extraordinary argument—which will no doubt become classic—that freedom of speech is so precious that we must be careful to give this freedom only to the right persons. His words were: "... the Bill of Rights in the Constitution guarantees to all freedom of speech, freedom of the press, freedom of assembly. There is no liberty where those rights are denied." To these words every good American will give full assent. Sproul goes on: "In order to protect this freedom the University assumes the right to prevent exploitation of its prestige by unqualified persons, or by those who would use it as a platform for propaganda. It therefore takes great care in the appointment of its teachers." That last sentence spells the doom of every teacher who dares to think independently and to express his thoughts.

To enhance the atmosphere of serene academic calm assured by all these words and deeds there has been developed in the last year or so an extensive spy system, not only in the University but throughout all the schools. This spy system is not the usual network of administrative stool-pigeons who are on the lookout night and day for major and minor delinquencies on the part of faculty members and students, the triumph of whose activities was the discovery, a few years ago, that an astonishing number of co-eds carried contraceptives in their purses. This is a special spy system run by "patriotic" organizations under the sponsorship of the American Legion. What is particularly odious is that the persons acting as spies are students, paid to report on their fellow students and their teachers.

The San Francisco strike last summer demonstrated the role that students are expected to play in the conflicts to come. This University was one of the important forces that crushed the strike. The facts are already fairly well known: nine-tenths of the scabs who worked during the strike were students—from U.C. and other colleges and schools—a large number of them hired through the regular employment bureaus; Professor D. P. Barrows was one of the chief commanders of the National Guard called out by Governor Merriam as part of a campaign bargain; pressure was put upon General Hugh Johnson by Regent John Francis Neylan, acting for the San Francisco Industrial Association, to [illegible] at the Greek Theatre on the Berkeley campus, at the time he received a Phi Beta Kappa key. This speech, broadcast throughout the state, openly inciting the people of California to illegal violence ("Crush them like rats!") was the signal for the launching of a brutal campaign of wholesale terror accompanied by a sordid exhibition of lying and vilification. Vigilante groups of students were formed with the knowledge and tacit sanction of prominent members of the University faculty.

The "Merriam-for Governor" campaign, to which all the vested interests including some Regents of the University contributed heavily, was conducted under the slogan: "Save California from Communism." Sinclair was attacked, slandered, lied about. The University, the colleges and schools did their part. On October 26 the campaign swung into its final week. The cry: "Run out the Reds!" was frantically raised throughout the state. During this week, these things occurred in educational circles:

1. Ernest C. Moore, provost of the University of California at Los Angeles, on October 29 suspended five prominent students on the ground that they were involved in a plot to destroy the University. In a broadcast to the state at large he announced that his University is "one of the worst hotbeds of Communism in America," called upon his students to "support the University and purge the Communists from their ranks." The actual crime with which these five students were charged was the initiating of a petition for a student-controlled open forum, an action that is fully within the rights guaranteed by the student-body constitution. But behind this specific charge loomed a more sinister accusation—that of "using their offices to destroy the University by handing it over to an organized group of Communist students."

2. One hundred and fifty athletes, at the instigation of Provost Moore, immediately organized a vigilante group under the name of "U.C.L.A. Americans" for the purpose of "ridding the campus of all students holding extreme political views."

3. The editor of The Santa Clara Weekly, the student paper, was expelled from Santa Clara College because he "refused to print what the faculty wanted him to" and because he wrote that "students have nothing to gain by war." (He has since then been denied the privilege of enrolling in the University of California.)

4. The president of San Jose State Teachers' College, following Provost Moore's example, invited students to organize to throw "radicals" bodily off the campus.

5. Education Week, conducted under the sponsorship of the American Legion and other patriotic organizations as a thinly disguised war campaign, was launched. The children were treated to an extraordinary exhibition of flag-waving, rampant jingoism and heated denunciation of communist propaganda. "War brings out the best that is in you," said one of the speakers who addressed them, "it makes a man of you." It is significant that it was Provost Deutsch who, in his speech on the

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opening day of the campaign, gave the cue for the patriotic ballyhoo. His routine piece about the menace of communism was twice its usual length and wound up thus:

> Any teacher who misuses his or her position to preach to pupils the overthrow of our government by force should not be permitted to teach a single day after this charge has been actually substantiated.

(Teachers in San Francisco are subject to dismissal if they are seen carrying The Nation or The New Republic on the school grounds.)

For two weeks war raged in Academia. There were mass student demonstrations, strikes, hundreds of protests by letter and telegram. Fraternity men and athletes, with the open or tacit sanction of administrations, formed vigilante gangs, attacked and intimidated liberal students who courageously faced the real issues and made a stand for free speech, U.C. students were jailed in San Mateo, leaders of the protest groups were threatened with expulsion, faculty members were commanded by Provost Deutsch to act as informers and strike-breakers, University spies were busy photographing strike leaders and making stenographic records of their utterances, students attempting to speak at authorized protest meetings were pelted with tomatoes and eggs, booed down and assaulted by minority groups who claimed to be "acting in accordance with the wishes of the administration."

During these entire two weeks President Sproul made no statement about the U.C.L.A. suspensions beyond promising to investigate. Finally, on November 13, he made a decision on the case of the five suspended students, and reinstated four of them. His statement, quoted in the papers under the heading "President's Act Backs up Provost," completely repudiated Moore's ridiculous charge that these students were engaged in a conspiracy to destroy the University. He found "no convincing evidence that the suspended students, either directly or indirectly, gave approval to the work of the league (N.S.L.)." The important thing about this statement is the implication that if he *had* found evidence that they had given approval to the work of the League, these students would not have been reinstated.

The incidents surrounding the U.C.L.A. suspensions have become historic. For those who can see beneath the surface the episode is nothing less than an open skirmish in the class war, and its significance lies in the fact that this considerable skirmish in the sacred realm of the academy has revealed to many for the first time the basic antagonism between the great financial interests that control the University and the majority of students who have different class interests. In all the concrete issues that are directly facing students throughout the country—military training, freedom of speech, racial discrimination, budget cuts, rising tuition fees, employment for college graduates—this antagonism is bound to become increasingly marked.

Oil has been poured upon the troubled waters. During the past month the administration, with the coöperation of all the newspapers, has bewitched the state with soft, sweet words about the harmony and innocence of the intellectual life in the University, so that the members of the Legislature, which convenes this month, will have forgotten Provost Moore's panicky charges that the University is a hotbed of communism.

It is needless to labor the point that the situation in the universities is extremely critical. In the struggle with an increasingly stubborn and far-reaching depression, men's actions, speech and thoughts are being more and more effectively regimented. It seems likely that very soon even the pretense of freedom will be abandoned. A vicious, far-reaching, hysterical campaign of suppression of democratic rights is being waged. Presidents of universities are launching virulent attacks against free citizens who happen to express ideas different from those of the financial barons, and these attacks have powerfully encouraged the growing forces of organized violence. Paid student spies employed by patriotic organizations infest the universities, keeping close check on the words and actions of their teachers and fellow students.

On November 9, George A. Rader, a Legionnaire, chairman of the Alameda County "Joint Americanism Committee," made a statement to the press describing the "campus espionage system" that is in his charge. He employs directly twenty-two students. "These students are mostly seniors, members of fraternities, level headed, and have been very carefully chosen," he explained with a glow of self-satisfaction. These twenty-two have subcommitteemen who "aid in the gathering of information and the educational phase to fit in with the local organization" (whatever that means). It is said that some of these are paid out of State Emergency Relief Administration funds. Now the word is that the Legion has submitted to the administration a list of seventy-five professors who are "suspect" and demanded their dismissal. Among the many patriotic organizations that have sprung up in this community is a group called the Berkeley Nationals, said to number already about seventy-five hundred members. This is a secret organization directed by military men, functioning somewhat like the communist "cells" in Germany. The members are subject to call at a very few hours' notice.

For all intelligent, humane, sensitive men and women the atmosphere has become unbreathable. The pious mouthings about academic freedom are a sham. Fascism is at our door. Only a strongly organized public sentiment exercising pressure in support of students and professors fighting for freedom of speech can save this and other universities from the degradation and barbarism that have already overtaken the universities in Germany.

ANNA WALLACE

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Ten-Hour Day, Seven-Day Week

FOR FOUR days and two nights the Rose Room of the Mayflower Hotel in Washington had been crowded with men from every part of the country, representing the fluid-milk industry. For four days the hearing on the proposed labor provisions of the fluid-milk code had gone on and on. Finally, when the futility of the meeting could no longer be ignored, Deputy Administrator George Carlson got up and said: "This is the only opportunity this industry will have to regulate itself. Why do you all reject it?"

The immediate replies were many and various, but the best answer to Mr. Carlson's question is contained in a statement made by Matthew Boyd of the Labor Advisory Board. "With astounding unanimity," he said, "the industry has testified that it cannot decrease excessive hours of labor. It goes on to recite a story of intense anarchistic competition, which, without restraint of a code of labor provisions, means the inevitable lowering of already low standards. We are invited to contemplate the increasing misery of the workers in this industry."

Early the first day Mr. Boyd called the attention of the industry to the statement made by the President on signing the Recovery Act: "No business which depends for existence on paying less than living wages to its workers has any right to continue in this country." This had obviously been taken by the industry to be mere rhetoric. The idea that the Labor Advisory Board took these words seriously was a new and altogether shocking thought to the majority of the audience, since they seemed to have gathered to resist any labor provisions at all.

Actually, this hearing was part of the widespread effort of industry to free itself of all control. And it was not only a contest of the milk industry against reasonable labor provisions, but it affected the meat packers and the tobacco interests as well, for up to this moment neither has a code. If the tobacco industry, the packing industry and the fluid-milk industry have no code, why should the canners be burdened with one, highly unsatisfactory from a labor point of view though it is? If so many workers are denied the semblance of protection they are getting under the N.R.A., why need there be any labor provisions in any code?

The fluid-milk hearings, therefore, stretch far beyond the industry itself. By its almost unanimous resistance, it challenges the N.R.A. If it can successfully resist having a labor code imposed on it, then as far as its workers are concerned, the N.R.A. is worth exactly a tinker's dam.

It was A. T. Howard of Monticello Dairy, Charlottesville, Virginia, who inadvertently let this cat out of the bag. He protested in his deliberate drawl, "It's funny to have one expensive branch of the government to help the farmer make money and another expensive branch of the government to relieve him of it."

"What's the industry here for?" asked Mr. Boyd.

"To protest the code!" Mr. Howard answered.

Mr. Wentworth, who was spokesman for the industry, sprang to his feet to correct hastily, "The industry is here to furnish the facts of the industry."

Furnishing the facts of the industry itself consisted largely of the simple reiteration of one single proposition: the proposed labor code was impossible and unfair. It restricted the driver-salesmen to a forty-eight hour, six-day week and a minimum wage that varied, according to the size of the cities, from $20.50 to $32.50. The code provided for a forty-hour week for the employees with a 35 to 45-cent minimum hourly wage and 7.5 cents off for the much debated "Southern differential." For three days and nights Mr. Carlson labored without success to get one single person to agree to any labor code whatever. Not even those few employers present whose wages and hours complied with code provisions would agree that a labor code would be anything but harmful. It was the same whether a dealer came from Sioux City, Iowa, or Houston, Texas, from San Francisco or from Boston. Whether the dealers seemed prosperous or hard-up, they told one tale and sang one song. A seven-day week was necessary. People would go out of business if there was a code, and if there was a code it couldn't be enforced. Men made threats like "we can throw forty plants into two and could put 120 drivers out of business. We won't have to increase our plant materially or raise wages much."

The reason they could have no code, they stated, was that in various places from 20 to 80 percent of milk is delivered by peddlers or producer-distributors who often do not employ anyone outside their own families, and "it is unbelievable that these two classes of labor will comply with the code." They estimate that for the whole country, far more than half of the fluid milk sold to consumers is distributed through these channels. But government experts sharply challenge this contention. Their guess is that in the whole United States probably not more than 10 percent of all fluid milk is distributed under the conditions described. Such distributors can operate only in small places, where pasteurization is not required by law, or demanded by popular opinion. Of all milk, including that which goes into butter, cheese, etc., the government experts say that the big commercial companies distribute at least 75 percent. Of the fluid milk in the larger cities, they estimate that these companies control from 95 to 98 percent. Granting that the farmer-distributor retains his farm habits, works

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hard himself and expects his family to do the same, the government authorities still feel that there is plenty of room for a code to cover the commercial milk companies, many of whose employees are overworked and some of them underpaid. The government makes the point that the industry is suffering from shockingly bad organization, resulting in cut-throat competition, with low prices to the farmers going hand in hand with high prices to the consumers. What is asked is a reorganization to eliminate waste and put the industry on a sensible basis.

The industry employs nearly 152,000 workers who are often forced to work under miserable conditions. The driver-salesmen in Houston, Texas, for instance, work from seventy-two to eighty-four hours a week, often without a day off for weeks. "This is not even human," a letter to Mr. Hillman states. "The 1929 wages were from $28.50 to $35, now are $10.50 to $21, the wage force has been cut and the drivers do twice as much. The driver must stand credit losses, breakage or theft en route, and must purchase the unsold milk and cheese in sales contests."

One of the labor witnesses, a driver from Westchester County, New York, gave a typical picture: "We have to get up to go to work at one o'clock and work until eight, after that we very likely have to go on a selling campaign. We're given a quota of eggs we've got to sell and if we cannot sell them we've got to keep 'em ourselves—a virtual wage cut. Why, we call the drivers' terminal up there the cheese morgue because the drivers have chucked out the cheese they couldn't sell or use. Butter, eggs and cheese are sold. When we get through we have to go back to work and work from three in the afternoon until seven. We have to pay about $4 a week to keep up our clothes. Our routes are longer than they were fifteen years ago. For instance, I deliver twice as much milk as I did thirteen years ago and get the same wages."

His story is duplicated over and over again in every state, and in some parts of the country there have also been severe wage cuts. A bitter anti-union policy has been consistently observed. Mr. Gillespie of the Labor Advisory Board added that the drivers often had to spend three and four hours listening to pep talks over and above their seventy-hour week of seven days. The situation of the inside workers is little better than that of the drivers. Yet that relic of darkness, the seven-day week, has been successfully overcome in cities in different parts of the country, notably in Illinois, where the eight-hour day, six-day week prescribed by the code is in successful operation. Some firms have removed the burden of bookkeeping from the driver. Many firms have overcome the worst abuses, but the industry as a whole is still unanimous in resisting the code.

For three days there had indeed been a singular unanimity in the industry, a unanimity so complete that one would say a single mind and a concerted agreement had inspired the speeches of the various people who took the floor. The industry, everyone protested, was in a bad way. As far as anyone could gather, all milk dealers were either in the red or operating on so narrow a margin of profit that they might as well be. In fact, the picture was of an industry of great-hearted men carrying on a public service so that babies could have the life-giving milk they needed. Practically an eleemosynary institution was what the dairy business represented itself to be.

Sharply at variance with this pathetic picture are the figures presented by Dr. C. L. Christenson of the N.R.A. Research and Planning Board. While juicy profits of 20 percent are past for most firms and a profit of from 3 to 4 percent is more usual, there are firms that have shown a steady increase even in depression years. All of the twenty large firms listed show some profit, several a huge one. In 637 smaller establishments tabulated in another study, the overhead and profit margin was 20.9 percent in 1929 and 24 percent in 1933, for although labor costs had gone up, the cost of milk to the distributor had gone down.

Here is a tidy little fact for milk consumers to brood over. The average price per quart paid the farmer for milk is 5.18 cents. The average price paid by the customers is 10.5 cents. So the distributor gets 5.32 cents. That is, the distributor gets more than the farmer. In the Southern states, where the farmer gets as little as 5.39 cents a quart on an average, the retail purchaser pays 12.2 cents, the gross margin for the dealer being 6.81 cents. In certain Southern cities the spread is even greater: Winston-Salem, 7.3 cents; Raleigh, 8.34 cents; Greensboro, 8.8 cents. Yet the South demands a 20-percent labor differential.

As the hearings continued, the fluid-milk industry showed itself as an industry of complete chaos and relentless, senseless competition. Self-confessedly, it did not generally sign the P.R.A. and when its members finally signed they constantly violated it.

Mr. Carlson gave the industry a quiet warning that apparently went unheeded. "Don't underestimate the seriousness of this situation," he said. "There are thousands of letters coming in from employees in the dairy industry and they certainly paint a black picture. Frankly, I am bitterly disappointed at the attitude of the industry during these three days of testimony. I also want to leave with each member of the industry the suggestion that your labor situation is very, very serious."

It is more than serious. It is tragic, and the only hope now seems to lie in compulsory government action. On December 21, the Labor Advisory Board of the N.R.A. formally asked the N.R.A. Board to enforce a labor code in the milk industry whether the industry likes it or not. Already, and in the face of bitter opposition, one-third of the workers are organized. Whether the N.R.A. Board will act, and what the industry will do if it does act, are matters that will be settled in the very near future.

MARY HEATON VORSE.

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Washington Notes

Too Many Democrats—The Great Ambitions of General Jim—Power and Senator Norris —Futile Republicans

WITH THE presidential messages finally delivered and Congress in full swing, the indications are that before the session ends there will be some extremely tense and interesting moments not on the administration schedule. The more discerning among the side-line observers are inclined to believe that the increased Democratic majority in both House and Senate means a far looser party discipline than existed last year. This makes it easy, not only for individuals to pursue an independent course but to follow the present tendency toward the formation of factions and groups within the Democratic ranks that may give the leaders a great deal more trouble than the organized Republican minority. It is one of the penalties of a too great political victory.

Also, while the President's personal popularity and prestige are perhaps undiminished, the same thing is not true of his political general, Mr. Farley. It is not only that Mr. Farley has given out practically all the pie, but, personally, he is not nearly so highly esteemed as formerly. Among the progressive Republicans there is extreme bitterness toward him because of his effort to defeat Senator Bronson Cutting in New Mexico. Among Democrats of the better grade there is resentment over his continued retention of the Democratic National Committee chairmanship and the Postmaster Generalship. Among still others there is the growing belief that Mr. Farley is maneuvering to have himself nominated Governor of New York in 1936—a goal which, with the political positions he occupies, he should have no trouble in achieving.

His control over Tammany through the new, hand-picked leader is complete, though this fact is not generally realized. Tammany, of course, has not in the least changed its color or character with its leader, and there is some incongruity in the Roosevelt administration, with its pretensions of non-partisanship and political purity, being so closely linked to an incurably evil machine. Altogether, with the patronage mostly gone and the ambitions of Mr. Farley breeding natural resentment, it is easy to understand why the Democratic control in the coming session may be, and I think will be, at times feeble to the point of futility. However, it does not necessarily follow that it will seriously threaten any part of the administration program.

I think the result is much more apt to be that Mr. Roosevelt will be given not only all he asks, but a good deal more than he either asks or desires. In other words, the prevailing feeling is that, so far as Congress is concerned, the conservatives are without coherency, courage, unity or strength. They have lost heart and will put up no real fight against the social-legislation program or anything else, with the possible exception of the thirty-hour-week bill, which Senator Black of Alabama will reintroduce and which will be formidably supported by the American Federation of Labor. The situation, as I see it, is that Roosevelt's real difficulties this time will not come from the enfeebled conservatives, who do not want to go as far as he proposes, but from liberals, who want to go a lot farther. The conservative influence will be stronger in the White House than in Congress. Congress will be as conservative as Mr. Roosevelt, provided he keeps control, but if his control slips, then it will be to the left rather than to the right he will be taken.

A few weeks ago the progressive Republicans were greatly distressed over what they considered the trend of the President toward the right. There was a feeling that the desire of the administration for business support had been carried to the point where anything like a continued forward movement along New Deal lines was unlikely. Angered by the attitude toward Cutting, leaders of the progressive group were showing a disposition to break away and formulate a program of their own. There still are some who favor action of that kind, but the attitude of Mr. Roosevelt toward the power companies in New York, and his refusal to embrace the program the business leaders, largely inspired, it is believed, by Mr. Owen D. Young, agreed upon at the White Sulphur meeting, undoubtedly went a long way toward restoring friendly feelings.

Particularly was this true of Senator George Norris of Nebraska. Mr. Norris, more than anyone else, has been irritated by the ambitions and activities of Mr. Farley and, so it was reported, had begun to feel somewhat disappointed with the President. But when Mr. Roosevelt sent for Mayor La Guardia and cracked down on the power people, first, by offering to help finance a municipal power plant and second, by rejecting the Edison Institute's offer of a "friendly suit" to test the constitutionality of the T.V.A., Mr. Norris' heart warmed again and his enthusiasm returned in a rush.

Whatever else may be said of Mr. Roosevelt, it is not possible to accuse him of either inconsistency or weakness in the matter of electric power. His record, not only as President but as Governor of New York, on this issue has been one of unrelenting hostility toward either gouging the people or deluding them by public-utility propaganda. He also has consistently assailed the indefensible character of the holding companies. To such a man Senator Norris can forgive a great many sins, both of omission and commission. He never expected to find in the White House a President who saw eye to eye with him on the power issue and, no matter how he sags or compromises on other questions, Mr. Roosevelt is pretty sure to retain Norris' friendship and support so long as he does not wobble or weaken on power.

A while back I mentioned the "organized Republican minority" in the new Congress. It was a misleading description. There will be no such thing in this Congress. On the contrary, the lack of unity among the twenty-odd Republicans in the Senate and the hundred-odd in the House is too obvious to debate. So-called Republican Senators in this session will operate as individuals rather than as a party. The Eastern ones, now reduced to a very small handful, will not follow Senator McNary of Oregon, who is rather pronouncedly New Dealish in more than one respect. On the other hand, the progressive Republicans have not the remotest notion of considering him their leader. They regard him as a politician who will be entirely guided by expediency, an agreeable fellow but one who has neither

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the qualities of a leader nor the outlook of a statesman. Senator McNary is persuasive and plausible, but it is just as difficult to think of Senators Keyes of New Hampshire and Metcalf of Rhode Island accepting him as their party guide as it is to think of Senator Couzens of Michigan doing so. In other words, the futility of the Republicans in this session is complete.

One other thing that seems clear at this stage is that the talk of an early adjournment is without foundation. Mr. Roosevelt wants an adjournment in May, if possible. What President wouldn't? But that is one thing he will not get. There is no campaign this year to take the boys home, and they won't go until the Washington weather gets too hot for them. And with air-conditioned chambers, that means it will have to get very hot indeed.

Washington. T. R. B.

Other People's Money

Looking Backward and Forward—How Come Christmas Spending?—Zeros and the N.R.A. —Needed: A New Deal

AMERICANS who love the truth, particularly when it drips from the lips of the prophets of light, have by now bathed in the warm waters of the usual New Year prophecies from our great business leaders and, of course, from the multitude of "economists," "statisticians," "investment experts" and "trade experts" who peddle their optimism. The President himself sounded the note many months ago with his book entitled "On Our Way." It may be well to remind our readers that this is the sixth New Year's Day since the depression began that we have been regaled with these pleasing assurances. It is, I should think, very nearly time for our complacent citizens to be getting on to these boys.

To look ahead this year is somewhat more difficult than it was last. The prospect is extremely confusing. Last year it was a comparatively simple thing to forecast what would happen this year. I think New Republic readers will do the simple justice of conceding that matters have turned out pretty much as New Republic writers have predicted they would. There has been a lift in business, due entirely to government spending activities. When the figures are in, it will be seen that Christmas spending was larger this year than last. Between July 30 and December 26, last year, the government laid out in direct spending $1,038,890,288. In the same period this year the government paid out in direct cash spendings $1,796,859,965. Thus, in these last six months, the government has spent $297,000,000 a month compared with $173,000,000 a month in the same period last year. It would be strange indeed if Christmas shopping were not larger. It is strange that it was not larger still.

In the meantime, the President's personal appeal obscures the fact that most of his New Deal is crumbling. The N.R.A. has practically collapsed. A year ago Mr. Donald Richberg was denouncing me for saying things about the N.R.A. which he now joins in repeating as if he were making an original discovery. Then it was a form of blasphemy to speak ill of General Johnson and his faithful mud-gunner, Donald Richberg. But now Donald Richberg and the General are saying even worse things about each other. Nevertheless, the elimination of Johnson and the confusion of Richberg may be counted as among the real gains of the year.

The gold-purchase scheme is now generally admitted to be a failure—an admission in which the President joins.

The A.A.A. remains an unknown quantity. Its subsidy features were effective, of course, merely as part of the general government spending program, but not so effective as relief expenditures, because A.A.A. spending was drawn out of the current income of small-income groups.

Achievements in social insurance are zero.

Achievements in dealing with our appalling corporate muddle are also zero.

Housing: the result is zero minus Moffett.

The Stock Exchange Act was passed, but sadly diluted, and the Securities Act of 1933, which was one of the achievements of the President's first year, was amended and weakened this year.

Banking reform: achievements zero.

Added to which there is, so far as I can see, no plan for handling any of the fundamental questions, including the question of taxation as an instrument for distributing income.

The T.V.A. is the one bright spot. On this point so far the President has stood firm. Let us hope he does not weaken here as he has done on Wall Street, the bankers, social insurance and housing.

Now as to the year ahead. In spite of all that comes from Washington in the way of big talk about the President's plans, it is clear as ice that he has no plans. He will continue to apply plasters, invisible skin, rubbing ointments, as various sore spots demand assuaging. But there is no plan. This being so, it is difficult to predict the course of events when they may turn out to be utterly at the mercy of any one of half a dozen powerful groups.

So far there is not a stir in the capital-goods industries. Whether we shall have a government low-cost-housing program in time to do anything remains to be seen. It cannot be doubted that obsolescence on a large scale has been at work these last five years and that, under the conditions of an ordinary depression, unbedeviled by so many wizards, it would already have expressed itself in rehabilitation. I believe that, had it not been for Hoover and later Roosevelt, we would have had, say by 1932, a brief recovery and that we would now be on our way down into the trough of another depression. I believe that if the President were to put an energetic push behind low-cost housing, continue spending for relief until a works program could take up the burden, permit the railroads to slip into receivership and put an end to salvaging debts of all sorts, it would be possible to produce a small degree of recovery by the end of the year—something that would look like recovery and would stand him in good stead in 1936. But of course it couldn't last. Nothing resembling recovery will occur until we have had a thoroughgoing operation upon our system, either in the form of vast changes in the economic set-up or vast deflation within the capitalist framework. A brief period of improvement might come this summer, but it would be brief and there is no assurance that it will come.

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What does seem probable therefore is that if the President does not push energetically a low-cost-housing program and useful public works on a large scale—whether that is a good thing or not—we shall face the real test on the subject of currency inflation.

It would be nicer if it were possible to say Happy New Year, Happy Days Are Here Again, the twelve months stretching ahead will see the long awaited dawn, if we will all "put our shoulders to the wheel." But alas, that cannot be said yet. We must wait until we have a New Deal. We have seen none thus far. JOHN T. FLYNN.

Two Camera Pieces

WITH SUCH ebb-tide movies still fresh in mind as "Bright Eyes" (for mothers) and Gene Fowler's sluggish "The Mighty Barnum," there is little use my talking about the current Hollywood output. As far as film making is concerned, "The Little Minister" is not very noteworthy either, though the very special radiance with which Miss Hepburn fills it is enough to set this picture aside for some later comment. The films most interesting to me just at present are several non-Hollywood productions, notably Alexander Korda's "Private Life of Don Juan," and G. W. Pabst's English version of his film "Don Quixote."

The Don Juan story, starring Douglas Fairbanks, spoofs the subject of the Great Lover, and makes fair entertainment. Don Juan, no longer young, skips out on creditors and assignations, allowing Spain to think him dead. In the country he rests: good food, sleep every night, no worries. A romantic book is got out about him; his legend grows (one thinks of D. H. Lawrence). At length, planning to reappear in a blaze of open arms, he reappears. Nothing. The legend has already passed human proportions: how could any mere man be Don Juan? His famous powers, in actual practice, don't get him to first base; he is ridiculed, thought mad, and so finally driven into the bosom of his loving wife, whom he had really never noticed. Too busy.

All of which is fairly well done, though often mishandled (transitions too abrupt, the satiric edge too often dulled, etc.). But the story is not the important thing here, one sequence in the first part alone making the picture worth seeing. A funeral in Spain, with the black figures milling slowly in all that unearthly white light. The rough stones in the walls and statues pile up into the sky, and the sky is framed boldly. Everything has a curious buoyancy and is carried along on the music, with its thin oboe figures and choir of voices, having both volume and restraint. Even a bigger aid to the illusion—though I am not sure why this should be so—is the light touch used throughout: Don Juan, moving through the crowd to watch his own funeral, and the women weeping because they had never seen him, and he dead. One shot in particular—women in black hoods are moving diagonally up the steps, and the white stone cuts into a vivid dark sky, and everything swings along upward with the choir voices—this one flash has enough sweep and clear beauty in it to set the tone of a whole film. The film as a whole tapers off somewhat afterwards, but those responsible for the best parts of it seems to be Georges Perinal (formerly Clair's camera man), Michael Spoliansky (music), Director Korda—and also Mr. Fairbanks, for whatever you think of his calisthenics, the man has a certain rank swagger and grace: with a cape and go-to-hell hat and a clear hip line, he is fine costume material. Here he fits nicely into a picture that suggests a phenomenon peculiar to the medium, namely that of a background's coming to life, coming to mean something, getting its own mood into the audience. Whether intentionally or not, the film is not nearly so striking for theme and story as for the atmosphere in which these are established.

In "Don Quixote" the visual effect is also one of beauty always (photography by Nicholas Farkas); but as far as such central matters as the dominant idea and its execution are concerned, the picture is a pretty straight flop. A few attitudes, a few big tableaux, and no flowing of one small thing into another. As for the central character, you could forgive the inattention to the original Quixote, who was often shrewd and never completely pitiful; but what you can't overlook is the lack of any single conception of what the knight should be, in movies. And so you get Feodor Chaliapin, a fine deep-voiced tragic figure of a man, being indiscriminately a tragic figure, a clown, and a baritone out of Verdi, popping his b's and t's all over the place and in short mugging almost every line. Let's forget the famous name for a minute and realize that here is an actor with no governing idea and a tradition that stems from opera, where true acting has no point whatever. In direction, the film veers between a period play and a stooge-act, mixing courtly address with outdated American slang; and it isn't that mirth is a foil for sadness, or vice versa. It is simply that Pabst is never sure whether he is operating a tragedy or a bawdy house, but will fumble around for what he can get out of both, which is not much.

And still the picture is beautiful in its last part, with the camera looking over the grain fields to the sky, and the men coming through, partly visible with their heavy sacks, and Don Quixote riding up into his windmill, getting pinned to and swept up with it. There is a high strange quality of motion in that grave sweep of the arm, seen from below, with the poor fool dying and the sound track subdued to the creaking of the mill and the wind in the sails. And say this for Chaliapin: in the last scenes the requirement is tragedy, and he stands up under it, in his own sure right at last. So, almost by accident, "Don Quixote" gets a few great moments to add to its scenic realism and beauty, and to set it apart from the run of ill made film duds it otherwise resembles.

By way of a footnote, I think now is as good a time as any other to point out that when names are mentioned in connection with these or other movies, credit can be given only in a loose sort of way. Production is such a complicated and overlapping process that no one who was not actually on the set can hope to be accurate in saying whether or not the camera man had his finger in the direction, or the director had his finger on the camera, or the writer of "Don Quixote" (Paul Morand) was to blame for its clumsy movement. The best that one can do is to trace matters to their own department, and take a chance that its titular head had the authority to be as good or bad as he seemed. In the case of exceptional work, at least, someone ought to take the bow.

OTIS FERGUSON.

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In the Case of Mr. Jennings

WE PRINT below the decision of the National Labor Relations Board in the case of Mr. Dean Jennings v. The San Francisco Call-Bulletin, a document whose importance justifies us in printing it in full. Its significance goes far beyond the publishing industry, and extends to the whole struggle of American labor for the right of collective bargaining, a right supposedly guaranteed in Section 7a of the National Industrial Recovery Act but in practice heretofore supported only inadequately and half-heartedly by the federal government. Specifically, the decision was a significant defeat for the attempt of the newspapers of the country to constitute themselves the spearhead of business in destroying effective regulation of labor relations by the government. The newspapers have argued that their code cannot compel them to do anything they do not want to do. They have insisted that all their affairs, of whatever sort, must be unregulated by the government, lest through regulation might come some menace to the freedom of the press. These arguments the Labor Relations Board effectually disposes of. It outlines in a chain of clear, legal reasoning why the newspaper business, like any other, is subject to the law of the land.

After the decision was handed down on December 3 it was suspended temporarily at the request of Donald Richberg and Blackwell Smith, acting chief counsel of the N.R.A., to permit a rehearing on the question of the Board's jurisdiction. On December 17 the Board reaffirmed its original decision and added a few pertinent remarks in regard to the request of Messrs. Richberg and Smith for a rehearing. The rehearing had been demanded on the ground that the N.R.A. was, in substance, committed to the publishers' interpretation of their Code and hence that the Board's exercise of jurisdiction was an act of bad faith on the part of the government. Elisha Hanson, counsel for the publishers, declared that he and Mr. Richberg exchanged memoranda about the meaning of Article VII (the article requiring consent of the publishers to code changes) and that these memoranda followed the publishers' interpretations. "No question of breaking faith," the Board said, "can be involved—unless, indeed, we are obliged to take account of some extrinsic understandings not embodied in the documents. . . . The 'memoranda' to which Mr. Hanson referred were not, as might have been supposed, a formal exchange of views as to the effect and meaning of the Code; but merely, as Mr. Hanson now states, 'preliminary drafts' that took final form in Article VII."

The publishers, however, have refused to accept their defeat. In a statement issued December 28, Mr. Howard Davis, business manager of The New York Herald Tribune and president of the American Newspaper Publishers' Association, has called for a meeting of the 1,200 member newspapers to consider the decision of the Jennings case "as it affects their continuance" under the Press Code. In a letter to the N.R.A. dated December 19, Mr. Davis, speaking for the Association, declared that the precedent of the Jennings case would, "if sustained, destroy at a stroke the essential safeguard of the freedom of the press contained in Article VII. . . . It would lie in the mouth of no newspaper which sat silent today and remained under the Code to assert its constitutional rights later in protest." Since threats have already been made to leave the Code if an adverse decision were rendered by the Labor Relations Board, it seems clear that the meeting is designed as the initial step in quitting the Code. If the publishers do so, the matter becomes a clear defiance of the N.I.R.A. and to save its face the Roosevelt administration can hardly avoid taking the issue to court. The fate of much of the recovery legislation would appear to depend on the outcome of this case. In the meantime the N.R.A. has refused to enforce compliance from The Call-Bulletin, referring the question to the Newspaper Industrial Board, where—if precedent is a good guide—it is likely to stay deadlocked or be referred back again to the N.R.A.—THE EDITORS.

THE DECISION

Dean S. Jennings was employed by The San Francisco Call-Bulletin as chief rewrite man. He made a complaint to the San Francisco Regional Labor Board, claiming that the publisher, in violation of Section 7a of the National Industrial Recovery Act, had discriminated against him on account of his activities in promoting the American Newspaper Guild, and that he had on that account been compelled to resign his position. On June 18, 1934, the old National Labor Board directed the Regional Labor Board to hear the case. At the hearing on October 5, 1934, the company declined to appear, having in writing challenged the Board's jurisdiction. Testimony was taken on behalf of complainant, and the transcript was sent to this Board, which held a hearing on November 13, 1934. Counsel for The Call-Bulletin appeared specially and made an argument against the jurisdiction of this Board.

The objection to the jurisdiction must be overruled.

The jurisdiction of the National Labor Relations Board in Section 7a cases derives from the Executive Order of June 29, 1934, pursuant to authority vested in the President by the National Industrial Recovery Act and by Public Resolution 44, Seventy-third Congress. Section 2c of such Executive Order broadly authorizes this Board:

> Whenever it is in the public interest, to hold hearings and make findings of fact regarding complaints of discrimination against or discharge of employees or other alleged violations of Section 7a of the National Industrial Act and such parts of *any code or agreement* as incorporate said section.

Plainly this includes the Code of Fair Competition for the Daily Newspaper Publishing Business, which, in Article V, incorporates the provisions of Section 7a, Section 4c of the Executive Order, providing that

> the National Labor Relations Board may decline to take cognizance of any labor dispute where there is another means of settlement provided for by agreement, industrial code or law which has not been utilized,

by necessary implication reaffirms the Board's discretionary power, broadly conferred in Section 2c, to take jurisdiction of 7a cases even where the code for the industry involved has set up an industrial board. It is apparent from Sections 3 and 4 of the Executive Order that the National Labor Relations Board is constituted as a coördinating body charged to promote uniformity of administration in the various boards and agencies dealing with 7a cases.

The basis of this Board's jurisdiction is thus simply stated. The elaborate contrary argument by counsel for The Call-Bulletin cannot be so simply summarized. It is insisted that the newspaper business is a thing apart, because of the publishers' "trusteeship of the people's right to have a free press." This right, so the argument goes, was put into potential jeopardy by two provisions of the National Industrial Recovery Act, Section 3d, giving the President power, upon his own motion, to prescribe and impose codes, and Section 10b reading:

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> The President may from time to time cancel or modify any order, approval, license, rule or regulation issued under this title; and each agreement, code of fair competition, or license approved, prescribed or issued under this title shall contain an express provision to that effect.

Before the American Newspaper Publishers' Association would agree to submit a code for the approval of the President under Section 3a of the Act, it is asserted that they sought to make sure that the freedom of the press was safeguarded in the draft. For this reason they provided in Article I of the proposed code that when approved by the President it should be "the standard for daily newspapers subscribing or assenting thereto," though codes relating to other industries, submitted by trade associations, profess to apply to the whole industry regardless of consent or lack of consent of particular employers. For the same reason the publishers provided in Article VII, and it is about this article that the argument chiefly pivots:

> *Those submitting this Code recognize that pusuant to* Section 10b of the Act the President may, from time to time, cancel or modify any order approving this Code, but in submitting or subscribing to this Code the publishers do not thereby consent to any modification thereof, except as each may thereto subsequently agree, nor do they thereby waive any constitutional rights, or consent to the imposition of any requirements that might restrict or interfere with the constitutional guarantee of the freedom of the press.

The Publishers' Case

It is asserted that the publishers refused to submit the proposed code until assured that the President would approve it, and especially Article VII, without modification; that the act of the President *in so approving the code in February, 1934, constituted an* engagement by him, despite the explicit provision of Section 10b of the Act, not to modify the code by subsequent Executive Order except as to publishers who assented to such modification; that the President, and this Board as his "agency," are estopped from denying his legal power to make such engagement; that, in any event, the President could not constitutionally impose a modification upon a *non-consenting publisher; that Section 2c of the Executive* Order of June 29, 1934, if interpreted to confer upon the National Labor Relations Board jurisdiction to hear 7a complaints against newspaper publishers, is to that extent void, because in effect it modifies Article VI of the Code giving exclusive jurisdiction in such cases to the Newspaper Industrial Board, and such modification has not been consented to by the publishers signatory to the code.

In the opinion of this Board, several mistaken assumptions in the foregoing argument vitiate its conclusion.

In the first place, Article VII of the Newspaper Code, far from constituting an engagement by the President not to modify the Code, contains, on the contrary, an express recognition that "pursuant to Section 10b of the Act, the President may, from time to time, cancel or modify any order approving this code." That such was the understanding of the administration is apparent from General Johnson's letter of February 16, 1934, transmitting the code to the President for approval, which states that:

> Article VII reserves the President's right to cancel or modify any order approving the Code (Section 10b of the Act).

and again

> The Code complies in all respects with the pertinent provisions of Title I of the Act, including without limitation subsection (a) of Section 7 and subsection (b) of Section 10 thereof.

This is apparent, too, from the President's Executive Order of February 17, 1934, approving the Code, which states:

> In so far as Article VII is not required by the Act, it is pure surplusage. While it has no meaning, it is permitted to stand merely because it has been requested and because it could have no such legal effect as would bar its inclusion. Of course a man does not consent to what he does not consent to. But if the President should find it necessary to modify this Code, would not affect whatever obligations the non-consentor would have under Section 3d of the National Industrial Recovery Act.

In a subsequent order dated February 24, 1934, the President, to make clear that he had approved Article VII as submitted, while reaffirming his comment already made on Article VII, adds that this Article is nevertheless "approved as submitted and without modification, condition or qualification." This permits Article VII to stand, but its plain meaning is not changed.

We say that meaning is plain, because, as above observed, Article VII expressly recognizes the President's power to cancel or modify the code under Section 10b of the Act. The meaning becomes even plainer in the light of the professed purpose of the publishers in insisting upon the insertion of Article VII. Counsel conceded that the only purpose of Article VII was to safeguard the constitutional guarantees of freedom of the press. There is but one way in which the guarantee of freedom of the press might be impaired by the adoption of a code. If the publishers initially consented to a code that contained a provision that "the President may, from time to time, cancel or modify" it, they might possibly be thought to have waived their constitutional right to object that some subsequent modification by the President abridged the freedom of the press. Article VII meets this point by providing that, while the President may subsequently modify the code pursuant to Section 10b of the Act, the publishers do not consent in advance to such modification. The result is, that if the President, pursuant to properly delegated authority from Congress, should subsequently modify the code, such modification would be binding on the publishers signatory to the code, despite their non-consent to the modification, provided its substantive terms fell within the constitutional power of Congress to impose regulations upon the newspaper business.

What is the power of Congress in that respect? The logic of the argument addressed to us leads to the untenable conclusion that the First Amendment to the federal Constitution confers upon the newspaper business complete immunity from regulation to which the publishers do not consent; that an attempt to impose a code, or a modification of the present code, would be unconstitutional so far as concerns non-consenting publishers. Invoking Marshall's famous dictum that "the power to tax is the power to destroy," counsel says that "the power to modify this code is the power to destroy it." But there is no doubt of the power of Congress and of the state legislatures, within their respective spheres, to tax newspapers and newspaper publishers, and to subject them to a host of police regulations, such as fire and building laws, workmen's compensation acts, limitations on hours of labor. What Congress cannot do is to pass any law abridging the freedom of the press; apart from this the newspaper business stands on a footing no different from that of other industries. It was urged that if the President could, without the consent of the publishers, modify the Newspaper Code in one respect, he could modify it in all respects, including regulations as to the handling of news, as to the territory within which newspapers might be distributed, as to the number of pages they might print, as to the number of editions a day they might issue, as to how many days a week they might be published, and in other ways which counsel assumes would jeopardize a free press. This is an obvious non-sequitur. If and when the President attempts to impose a modification that really does abridge the freedom of the press it will be time enough to invoke the constitutional guarantee. No genuine issue of freedom of the press can be fabricated out of the Executive Order giving the National Labor Relations Board authority "to hold hearings and make findings of fact regarding complaints of discrimination against or discharge of employees or other alleged violations of Section 7a" by newspaper publishers.

Powers of the Board

So far we have proceeded on counsel's assumption that the President has attempted to modify the Newspaper Code. But even this assumption is untenable, and on two grounds.

First, if Congress had directly created the National Labor Relations Board with its present jurisdiction, after the Newspaper Code had been approved, this Board would have had indubitable

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power to hear 7a complaints against publishers; Article VII of the Code, however construed, could not curtail the exercise by Congress of its legislative power. The result is no different where Congress accomplished the same end indirectly, by authorizing the President to establish such a board. The President acted in this matter, not under Section 10b of the National Industrial Recovery Act, empowering him to cancel or modify existing codes, but pursuant to a wholly distinct grant of authority.

Furthermore, no provision of the Newspaper Code has been changed or affected by the Executive Order authorizing this Board to hear 7a complaints. The jurisdiction of the Newspaper Industrial Board remains undisturbed. The Code does not purport to vest in the Newspaper Industrial Board exclusive jurisdiction to hear complaints of discrimination in violation of Section 7a. Section 5a of Article VI of the Code provides that the Board

> shall consider controversies arising from the application of this Code, and shall have power to promulgate rules and regulations for the determination of such controversies.

This presumably includes complaints of violations of Section 7a as embodied in the Code, but clearly no exclusive jurisdiction is conferred; nor can it be implied that Congress is thereby prevented from passing a subsequent law authorizing the President to set up a general board having jurisdiction to hear 7a complaints arising in this and other industries. Subsections b, c and d[1] of Section 5 of the same Article, though containing certain mandatory language, do not refer to individual complaints of discrimination on account of union activities, but relate expressly to controversies "concerning hours, wages and conditions of employment," that is, to the basic subject matter appropriate for collective bargaining. This is especially clear from subsection (c) providing that the decision of the Newspaper Industrial Board on such controversies "shall be accepted by the parties . . . as effective for a provisional period . . . to be fixed by the Board." Section 5e of the same article of the Code provides that if any controversy shall arise as to who are the representatives of the employees, the Industrial Board "shall have power to investigate and determine the question." Here again the jurisdiction is not exclusive, and would not conflict with the exercise by the National Labor Relations Board of its power to conduct elections under Section 2 of Public Resolution 44, Seventy-third Congress.

It is significant that when the Newspaper Code was approved the National Labor Board was then in existence and had undoubted jurisdiction over all 7a cases, even in industries having special industrial boards.[2] Nothing in the Code requires us to conclude that the President in approving it intended to curtail this jurisdiction already given to the National Labor Board. In the very case before it, it was the National Labor Board which first assumed jurisdiction, when on June 18, 1934, it instructed the San Francisco Regional Labor Board to proceed to a hearing of the

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1 "(b) Any controversy concerning hours, wages and conditions of employment, arising under this Code between an employer and his employee shall, if possible, be adjusted locally.

"(c) Any such controversy which cannot be so settled shall be referred to the Newspaper Industrial Board for its consideration and determination and the decision of said Board shall be accepted by the parties to the controversy as effective for a provisional period of not longer than one year, but not beyond the period of this code to be fixed by the Board.

"(d) During the consideration of any such controversy neither party shall change the conditions existing at the time the controversy arose, or utilize any coercive or retaliatory measures to compel the other party to accede to its demands."

2 Executive Order No. 6511 dated December 16, 1933, provides that the National Labor Board should have power "to settle by mediation, conciliation or arbitration, all controversies between employers and employees which tend to impede the purposes of the National Industrial Recovery Act; provided, however, the Board may decline to take cognizance of controversies between employers and employees in any field of trade or industry where a means of settlement, provided for by agreement, industrial code or federal law, has not been invoked." The language of the proviso is strikingly similar to Section 4c of the Executive Order of June 29, 1934, establishing the National Labor Relations Board. case. When the National Labor Board was abolished by the Executive Order of June 29, 1934, all proceedings pending before it and before its Regional Boards were, by Section 3b of the Order, transferred to the jurisdiction of the National Labor Relations Board.

Following the practice of the National Labor Board, and pursuant to the provisions of the Executive Order already quoted authorizing the National Labor Relations Board to decline to take cognizance of any labor dispute where another means of settlement is provided for by industrial code, this Board will, as a matter of administrative routine ordinarily refer complaints of 7a violations to the appropriate industrial board, where one exists. We have, indeed, adopted this course already with respect to the Newspaper Industrial Board, to which we have referred various 7a complaints that were originally lodged with us. In the present case we think that this procedure should not be followed, but that we should retain jurisdiction, and decide the case, without the inevitable delay that would be involved in referring it to another agency for adjudication.

The Merits of the Case

It remains to consider the evidence in the record. Jennings had been employed for five and a half years on The San Francisco Call-Bulletin, which is subject to the Code of Fair Competition for the Daily Newspaper Publishing Business, pursuant to a signed assent thereto by the publisher. He was on the editorial staff, rendering satisfactory services as chief rewrite man. In April, 1934, a local chapter of the American Newspaper Guild was formed, and Jennings became a member. His name was proposed as a delegate to the National Convention of the Guild to be held at St. Paul, Minnesota, starting Monday, June 4. Jennings planned, if elected delegate, to take his two weeks' vacation at that time. The practice had been for the editorial staff to arrange their vacations with Mr. Cromwell, assistant city editor, who kept a book for that purpose and made the assignments of dates. Early in May Jennings indicated to Cromwell that he wanted to begin his vacation about June 1, explaining that he chose this date in order to attend the convention, if elected. Cromwell replied that this date was satisfactory, that no one else had applied to go away at the same time.

Having been duly elected delegate, Jennings on May 25 so informed Cromwell, who inquired when he planned to leave. Jennings replied, "next Wednesday, May 30." Cromwell said "That's fine." When he came to work on May 26 Jennings was surprised to be told by Cromwell that he had better take up the question of his vacation with Mr. Gleason, the city editor. Discussions followed with Mr. Gleason, with Mr. Mulcahey, the managing editor, and finally, on May 28, with Mr. Holliday, the publisher. Each insisted that Jennings could not be spared at the time he wanted to leave, because the paper was short-handed. It was claimed that Hosler, a reporter, was away and not due to return until June 4; that Johnson, the drama editor, would be away during that time and another man would have to be taken from the editorial staff to fill his place. Jennings testified, however, that he checked up with Cromwell as to this, and was told that Hosler would be back June 4; that no one but Jennings would be away during the two weeks following June 4; that Johnson's vacation was listed to start on June 24.

Jennings urged without success that he had made his plans to motor to the convention with his wife. Gleason criticized the Guild as serving no useful purpose and told Jennings that the publisher had wanted to "fire the whole staff" that belonged to the Guild, but "we demurred on that." Mulcahey asked him if he was working for the Guild or for The Call-Bulletin. Jennings offered to delay a day until Thursday, May 31; and again, offered to have his place filled on Thursday, Friday and Saturday by volunteers from the staff, who would work on their days off. According to Jennings, "Mr. Holliday said that I was the one they wanted to stay." On May 28, and again on May 29, however, Holliday offered to let Jennings go at the end of the week's work on Saturday, June 2. But this would have been too late to motor to St. Paul by June 4; and to Holliday's suggestion that Jennings might fly he replied," Who is going to pay for it?" Finally Jennings asked for his vacation-money check, which Holliday would not give him when he insisted on leaving Wednesday

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May 30. Holliday then said "the only way you can have this check is to resign." So Jennings decided to quit the job, took from Holliday the vacation check, and left.

Several witnesses testified for the complainant. Much of this testimony was hearsay and is disregarded by us. It does appear, however, that the circumstances of Jennings' resignation greatly affected the other employees. Many of them, professing fear for their jobs, resigned from the Guild. Erickson, a copy reader, testified that a couple of weeks after Jennings left, Mulcahey, the managing editor, told him the Guild was "an anti-Hearst organization . . . run by a bunch of crack-pots," and said "I think you fellows are making a mistake by putting your neck in a noose." Later the same day, Mulcahey called in Cope, the chairman of the Guild chapter, and after the interview Mulcahey announced to Erickson that Cope had quit the Guild, adding "I think you better quit, too." In the end, all but four of over forty employees of The Call-Bulletin withdrew from the Guild, and the chapter was pretty well broken up.

The law in the matter is clear. If the employer changed the agreed vacation date in order to embarrass Jennings in his plan to attend the Guild Convention, that would be an unlawful interference with the self-organization of employees. It is a question of fact, and the fact is the motive of the responsible officials who acted in the matter. Evidently they had no use for the Guild. Acording to Erickson's testimony, the managing editor, shortly after Jennings left, advised the employees to withdraw from the Guild in language implying that their jobs were at stake. This indicates a continuing attitude of mind antagonistic to the Guild, consistent with the remarks of City Editor Gleason to Jennings before the latter quit. The claim that Jennings could not be spared was only a pretext. Jennings had arranged his vacation time with the assistant city editor, Cromwell, in ample time. It was Cromwell's job to assign the dates so that the work would not suffer from the simultaneous absence of too many men. Significantly, on May 25 Cormwell made no mention that they were short-handed when Jennings told him of his election as delegate. At this point the higher officials began to display an altogether unusual interest in the vacation time of a particular employee. Arrangements could have been made for the vacation as requested, had the management been so disposed. Someone would have had to take over the work of Jennings whenever he left; he offered to provide volunteers for Thursday, Friday and Saturday. It is difficult to escape the conclusion that the attitude of the management was colored and affected by an anti-Guild bias; that when it was too late for Jennings to change his plans they maneuvered him into a position where he was forced to resign in order to carry out his plans and to get the vacation money on which he had counted. Tn lesson was not lost on the other employees, who hastened to to resign from the Guild. The whole procedure might be characterized as a more artful technique than the first impulse of the publisher "to fire the whole staff."

FINDINGS. We conclude that The San Franciso Call-Bulletin had interfered with the self-organization of its employees in violation of Section 7a, in that the vacation of Jennings was changed to embarrass him in his organization activities, whereby he was forced to resign his job, an action which alarmed other employees and led to their wholesale resignation from the Guild.

The publisher having declined to contest on the merits, our decision is necessarily based upon *ex parte* testimony. The objection to our jurisdiction now having been overruled, we are inclined to give another opportunity to the publisher to offer evidence. If, within the period of grace stipulated in the enforcement order, the publisher signifies a desire to submit evidence on the merits to this Board, we shall arrange the necessary further hearing.

ENFORCEMENT. Unless within ten days from the date of this decision The San Francisco Call-Bulletin notifies this Board in writing that it has offered Dean S. Jennings reinstatement to his former position, the case will be transmitted to the Compliance Division of the National Recovery Administration and to the enforcement agencies of the federal government for appropriate action.

National Labor Relations Board.
FRANCIS BIDDLE, Chairman, H. A. MILLIS,
EDWIN S. SMITH.

CORRESPONDENCE

Social Insurance or Dole?

SIR: It is true that pure pragmatism is a poor technique to move people to act. The daring generalization of the propagandist is better suited to the purpose. One cannot ignore the irrationality of men in their impatience for the better life.

Mary van Kleeck offers the Workers' Unemployment and Social Insurance Bill (H.R. 7598) [The New Republic, December 12, 1934] not as mere propaganda but as a feasible, workable insurance plan and as a constructive step to social security. This is quite pragamatic; so much so that one is compelled to ask if she is serious or keeping her fingers crossed. As an economist associated with the Russell Sage Foundation, one must assume that she has more than an elementary familiarity with economic and political theory prevailing in the United States. Unless she intends to use the bill as a method of hastening the collapse of capitalism and thereby attain the ultimate result of a socialist state, or unless she offers the bill as a propaganda measure toward leverage in bargaining with reactionaries, one may well ask what is happening to the "modern" mind.

The bill is so absurdly unconstitutional in principle (if only in the delegation of the legislative function to the Secretary of Labor and in the invasion of State's Rights in covering intrastate businesses), so non-actuarial, so economically unsound, so wildly inflationary, so much another Townsend plan, another E.P.I.C.! Under what conceivable theory is this an insurance scheme? It is not intended to be! By an unscientific transfer the word "insurance" has been taken from a technique where it has a well defined and accepted meaning and redefined to prove a case. When she says "genuine social insurance" she means argumentatively and in reality "genuine permanent dole."

Is this the best intelligent modern radicalism can do in constructive legislation? Where are the radicals who are trained in economics, in sociology, in political theory? Why propose a "spree in social legislation," a mere gesture for legislative action?

There are real and urgent reasons for opposing the Wisconsin and Ohio plans, for decrying the Wagner-Lewis Bill. But there is absolutely no reason in the world why a workable, constitutional, and modern workers' bill, emphasizing the workers' side, embodying the suggestions and recommendations already so familiar in the writings of Epstein, Douglas and others, cannot be prepared and presented. It would not pass. But such a bill would merit the attention of every forward-looking person and would be a real banner around which to rally. The moment offers an unusual opportunity for constructive radical legislation.

But there will be none. Even though the radical and the social worker sense the overwhelming need for the practical, they have been caught in the sweep of the negativist approach. Since whatever is proposed must not be workable for, if it is, it may tend to keep capitalism alive, they submit an empty sentimental gesture. When one laughs, they scream: "Social fascist!"

REUBEN S. FLACKS.

Chicago, Ill.

SIR: Of course the unemployment insurance proposed in the Workers' Bill is "non-actuarial." No unemployment insurance is actuarial. Unemployment, whether "seasonal" or "cyclical," arising as it does out of a constantly changing economic system with unforeseeable fluctuations, is a hazard that cannot be measured in advance.

Whether the bill is unconstitutional depends upon its defensibility in the interest of the general welfare. But there is certainly nothing unconstitutional in the delegation of the administrative function to the Secretary of Labor, unless it be unconstitutional to set up commissions, including authority to industrial commissioners, with power to "legislate" codes for industry; or, under the N.R.A. itself, to grant authority to private groups like trade associations to make and enforce codes. Equally relative and changing is the distinction between interstate and intrastate business. Careful analysis of the constitutionality of labor legislation shows that although the number of instances in which adverse decisions have

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been rendered is discouraging, nevertheless, in the last analysis constitutionality is to be determined in relation to the degree of the need for legislation; and when the need has been established to the satisfaction of the judges, they have been known even to reverse themselevs (as in the night-work law in New York State).

As to the alleged economic "unsoundness" of the Workers' Bill and its "irrationality," that depends on whether it is irrational and unsound to say that the technical development of this nation makes possible continued and secure livelihood for all workers. No sincere believer in democracy would question that if productive capacity be sufficient, security should be open to all. If "purchasing power" as the means of livelihood has not been sufficient in the pay envelopes, then a claim upon the national income to compensate for loss of employment and of earnings is merely a corrective to get productive capacity into use. The difference between a dole and insurance is the uncertainty of the dole and the certainty of insurance, which earns the name "social insurance" because it is the announced and definite responsibility of society for payments made under conditions prescribed in advance.

Assuredly, as Mr. Flacks says, "the moment offers an unusual opportunity for constructive radical legislation." Those who are interested in constructive legislation are invited to study the Workers' Bill and to note particularly that it makes higher incomes, inheritances and gifts pay the bill that now rests wholly upon unemployed workers and their working-class relatives, with such uncertain help as they may obtain from the national and state "poor law" or from "voluntary" givers.

MARY VAN KLEECK.

New York City.

Race Prejudice in the North

SIR: The undersigned, who believe that life, liberty and the pursuit of happiness are the inalienable rights of all American citizens, regardless of race, color or creed, wish to express their public protest against the recent conviction in Niagara County Court of two Negroes, Alphonso Davis and William Fisher. . . .

To the best of our knowledge the facts are as follows: Alphonso Davis, a young Negro chemical worker, was accused of having criminally assaulted a white girl by the name of Helen Lachut in a park in Niagara Falls on the evening of July 30. The testimony of the girl, of the young man who was her companion at the time, of the hospital doctor, and of another couple who were said to have been the only witnesses, was so contradictory and unconvincing as to lead to the conclusion that Davis is the victim of a frame-up, the result of race riots that occurred in Niagara Falls during the month of July. Despite the flimsiness of the evidence against him and the alibi established by eight witnesses that he had been elsewhere that evening, Davis was convicted by the Niagara County Court in Lockport on October 24 and was sentenced to twenty years in Attica Prison.

William Fisher was arested on August 27 on a charge of first-degree assault and battery. He was attempting to defend himself with a penknife against a mob apparently bent on lynching, for some were in possession of noosed ropes. The police arrested him, not the mob leaders, and that night the entire Negro community of Niagara Falls was terrorized by these hoodlums. As in the Davis case, Fisher was tried before a court to whom the prosecutor appealed on the basis of race prejudice, and was sentenced to long confinement in the state prison.

We are aware of the complicating factor that Davis was once arrested for vagrancy in Virginia. This, however, does not affect the basic issues in the case. Two innocent men have been sentenced to long imprisonment, primarily because they were Negroes. This calls for the most vigorous public protest—not only to prevent so cruel a miscarriage of justice but also to stop immediately the spread in the North of that hideous form of violent race prejudice which has been, thus far, the peculiar infamy of the South.

Citizens who wish to add their protest to that of the undersigned may do so by writing to District Attorney Raymond A. Knowles, Gluck Building, Niagara Falls, New York, and to Judge William A. Gold, County Court, Lockport, New York, and to the newspapers of Rochester, Buffalo and Niagara Falls. If they wish to contribute to the legal expense of the appeals, which are being carried to higher courts, they may send their contributions to the International Labor Defense, 881 Broadway, Buffalo, New York.

PHILIP S. BERNSTEIN, Rabbi of Temple Berith Kodesh;
JUSTIN W. NIXON, Minister of Brick Presbyterian Church;
DAVID RHYS WILLIAMS, Minister of the Unitarian Church;
Rochester, N. Y. MARY T. L. GANNETT.

Poets Take Warning

SIR: Continuing, if you will permit, my comment on your little anthologies, and emphasizing their usefulness: "Seven Southern Poets" [The New Republic, December 26] seems to indicate that the agrarian concentration is a withdrawal which, due to a certain accident, has rendered the verse bad from the viewpoint of pure sound. . . . This phenomenon savors of a provincial sort of Ivory-Towerism wherein English poetry, in the strict sense, is not written.

Mr. Winters' Californian group [November 7] presented severely metrical but generically artificial material owing to the fact that emphatic form cannot have a *final* meaning excepting with the full and insistent coöperation of *vigorous* content. Classical form is here the *subject matter:* a device of mere academic folly. One is tempted to ask if this "classicism" is the only alternative of resident poets to the garish Hollywood-sun of California.

PARKER TYLER.

New York City.

P. S. Printer's error: in my letter [The New Republic, December 26] "international parody" should read *"intentional* parody."

P. T.

Wanted: An Answer

SIR: When a family have their life savings in real-estate bonds bought on the advice of their bank, and then find themselves unable to collect a dollar, how can they pay for magazines or other things needed?

It must be a year since we bought your book, "Bonds Without Safety," but we have seen nothing in your magazine since that has been of any help to the thousands of small bondholders who have their all in real-estate bonds sold them by banks, etc.

A few years ago we had our life savings in The First National Bank of Chicago, Illinois. The bank sent us letters advising us to invest in real-estate bonds. I wrote the bank and said we had no money to speculate with. I also asked if the bank would lend money on their real-estate bonds or would repurchase them in case I needed money. I was led to believe the bank always did and would lend 90 percent of the value of the bonds or would repurchase them at a small discount. We now have their bonds or receipts for bonds deposited with the bank, with bondholders' protective committees, or receivers, all of whom collect the income, but pay us nothing. Our bonds were all short-term bonds, and most of them have matured long ago.

We also have a first-mortgage bond (S. W. Straus) on number 399 Fullerton Parkway, Chicago. This apartment building has been 90-percent rented. Our bond was deposited. The Straus Bondholders' Protective Committee has collected rents, etc., since 1931. Our bond matured in 1932 but we have not received a cent.

When we ordered a first-mortgage bond from S. W. Straus in 1930, we were sent a 10-year 7-percent General Mortgage Bond, due 1940 of the Chanin Realty Corporation, New York City. As we had sent the cash, our letters of complaint brought no result. We receive no interest, but now the Chanin Realty Corporation want their bonds back, and are sending letters out, asking us to mail in bonds for deposit. If we send them in we get a receipt, and that is all we will have to show. We may never get a cent. What can we do with the Chanin Realty Corporation bond? It is in your city, and millions of dollars of bonds have been sold to common peole. Many of us have been compelled to sell for two or three cents on the dollar, and that is what the banks, etc., work for. Why don't liberal papers and magazines help us out? Our whole life's savings are going. We are nearly broke, have lost all faith and are scattered in many states. Many are now starving, while the banks are rolling in money.

Whittier, Calif.

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Katharine Cornell's Juliet

Romeo and Juliet. Martin Beck Theatre, December 20, 1934.

WHEN A Juliet is as genuine in feeling and deep with dramatic persuasion as Miss Katharine Cornell's, we might as well say at the outset that of all the Juliets—differing from one another in kind and in glory—that have been in our theatre, none is likely to have been better. With that said, we can discuss this significant performance. It is significant because we have here one of our best actresses, with an immense following, and with a career that has, for one reason, one circumstance or another, included a good deal of trash, undertaking now a great classic role, in competition with stage immortality; and in a position of complete freedom of choice and interpretation, plus the advantage, on tour, of considerable rehearsal.

There are two ways of going at a Shakespeare play such as "Romeo and Juliet." One takes it for what it is, an early play of a Renaissance poet and a dramatist, full of artificiality and conceits, tragic by virtue of his poetic reach, dramatic because of his infallible theatre sense, and also, through the sum of him, unforgettable, golden, young and proud, and, for all that heady and solid by instinct. The tone is frankly complex and rich, often, in fact, a matter of mere surface. The obstruction of the artifice is hard for our time. The effect of winding things up and then finally unwinding—or cutting—them represents the dramatic pattern of another era. The plan is extravagantly articulate, it is princely, not Puritan or middle-class, in that respect. The emotion must arise like light among all those starry words, and track its path among infinite literary images. If you go at the Shakespeare play in this way, you frankly admit its genus, epoch and method, and then force the drama as it stands to express the emotion, humanity and point that are in it, and that for plenty of people emerge from the printed page of it. Such a method of interpreting, or producing, "Romeo and Juliet" is a large order. This is partly because the technical equipment demanded of the players is full and not of the kind that is usually in demand and accordingly in practice—in other words, few actors could be expected to be ready for even mild Shakespeare necessities—and partly because the audiences are unprepared either for an intricate and wide technique or for the sweep and complication of Renaissance art.

The other way to go at "Romeo and Juliet" is to seek to free it more or less of its generic nature as a work of art belonging to a given period, to find and concentrate its essential human drama, and to carry us by a reality less decked with ornament, less articulate in speech and more readily accessible to our contemporary responses. Vulgarly done, this leads only to what are called modernizations, Shakespeare up-to-date, affairs not without certain virtues, if you like, but often most adolescent. They are best for people who either cannot understand the play as it was written—like a man who cannot pick the theme out of an overture but can follow it plopped out on the piano—or can congratulate themselves on finding the old classic good after all. Miss Cornell's production of "Romeo and Juliet" is not this sort of thing at all. It is modern only tic psychology, if you like) as opposed to the other style. This is one way of searching out the direct appeal, the dramatic current, the impression that the characters are moved by real emotion. We must say here that this was also Duse's method and approach. It is a perilous method for the health of art forms, since it denies a great deal in them. It can be, with genius or talent, a kind of salvation of art in general, since it seeks after and insists upon the deathless humanity of all good art. There will be those who say that in Juliet Miss Cornell is still Miss Cornell. The discussion there would be endless, but we may say that the same would have been true of Duse, you may take it or leave it. There is another fine thing to be said of Miss Cornell's Juliet, she does make you believe in love, that Juliet loves, and that the diapason and poetry of love are the reward for its torment. Of various Juliets this must have been one of the last things to be said.

On the negative side—items not hard to improve but intrusive even in the face of Miss Cornell's stage projection and glamor—we must mention the indistinctness of speech now and again. The poetic line is not given its full chance metrically, and the words are not always heard. Duse did this also, but it is a dangerous method, to be used only in tremendous emergencies. I think, also, that the pattern of Miss Cornell's performance would be improved by fewer curtains in which she runs off stage. The scene, for example, where she goes in despair to seek Friar Laurence would certainly be more tragic without this repetition of an effect already used several times for youthful purposes. Youth can be grave enough when it is tragic: it can be blind and direct at the same time, solemn and rapturous.

Mr. Jo Mielziner's numerous designs for "Romeo and Juliet" are in the right direction. That is to say they are frankly backgrounds with small regard for actuality. All are poor but the excellent last scene, the tomb of the Capulets. A few of the costumes were good, the rest so-so or paperish; they wanted boldness and weight.

Mr. Basil Rathbone's Romeo is on the whole agreeable romantic, with a certain sonnetry of love, not inspired, and a certain taste and feeling. The role is extremely difficult and Renaissance, and Mr. Rathbone is a better choice than most. Mr. Brian Aherne in the scene of Mercutio's death illustrates remarkably the full scope of the Shakespeare mind and text. The extravagance, the artifice, the underlying reality are all understood by Mr. Aherne, not to speak of his patent artifice in delivery, movement, make-up, wig and all, which were, as Shakespeare saw matters, extraordinarily right. In his first scenes (take, for example, the professorially, and otherwise too, famous Queen Mab speech) Mr. Aherne marred and often lost or wrecked matters by too much gesticulation and breaking up of passages that are organic units. In fact, the whole company, except Miss Evans' nurse, suffer one way or another from this fear of a frank admission of the stuff they work in. It would be a good thing for them all to meet and say to each other that the more or less long poetic passages with which the scenes are crowded may be thought of as arias, admitted as such and explored for their full value. Of Miss Evans' nurse we need only say that it is dazzling, explored to the bottom, witty, grotesque and final, a tribute to and triumph for Shakespeare. Not every Juliet could or

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BOOKS IN REVIEW

Europe Was a Success

MR. KRUTCH is in the position of a man whose argument has carried him a great deal farther than he wants to go. In his new collection of essays, "Was Europe a Success?"[1] he sets out to write an attack on communism from the liberal point of view. He tries to make it clear that "nothing in the pages which follow is to be taken as necessarily implying a defense of the status quo in our political and economic affairs. . . . Nor is there anything in the skeptically humanistic attitude here adopted which implies a resistance" to the far-reaching adjustments that will have to be made as a result of the world depression. Simply, his contention is "that catastrophic changes are really catastrophes and that it is madness to assume that they are inevitable." This appears to be an eminently reasonable basis from which to start. But Mr. Krutch, as his thesis develops, is led into attacking not only communism but also progressivism and democracy in general, not only the Russian revolution but also, in effect, the American and French revolutions, not only Marx and Lenin but also the humanitarian ideals of Immanuel Kant and William Lloyd Garrison. It is a curious and uncomfortable position for any liberal to assume.

He begins by expressing his anxiety over the future of European culture. "All things considered, it is probably true that European thought and European art are superior to all others, and that the European man has been the most successful in exploring that realm of consciousness which appears to be exclusively human." On the other hand, "humanity as Europe knows it cannot be imagined apart from the social order which Europe has created," and this order involves a great deal of necessary injustice, having been achieved "only through a system which arbitrarily distributed wealth and power in a manner condemning the mass of every population to hardship and want, while every other human achievement was bought at a price. Not only did chivalry bring slaughter, and religion bring persecution, but the very cultivation of intellect and beauty always implied their cultivation at the expense of thousands shut out from the enjoyment of the arts or even the comfort of adequate goods." The desirable and undesirable features of the system are functionally intermingled. In the effort to abolish the latter, we are likely to destroy the liberty, the individuality and the sensitiveness that distinguish what we call "the European man."—"Hence the full success of the Russian project, for example, depends not only on a new form of government, but also on both the destruction of 'European' culture and the creation of a new man."

Mr. Krutch has aimed at communism and has overshot his mark. In effect, his argument is a defense of inequality and injustice on the ground that the suffering of the masses makes possible the culture and disinterestedness of those who rule over them. In effect, it strikes at the base of the whole humanitarian tradition that goes back to Immanuel Kant and his Categorical Imperative. It is, moreover, an argument almost impossible to answer scientifically. If we choose to assume that we are justified in using some people as instruments and not as ends in themselves—if we decide that Negroes or hill billies or factory workers are not in the full sense human and can therefore be treated like anthropoid apes, used as subjects for vivisection, made to suffer for our profit—there is no scientific demonstration that will immediately and irrefutably prove us to be in error. It is highly probable and I think almost certain that either ourselves or else, more likely, our neighbors' children will eventually suffer for our sins, but historical retributions can scarcely be measured with scales or a slide rule. One thing, however, is logically clear. Instead of strengthening the liberal position, Mr. Krutch is furnishing ammunition that will be used by smaller and smaller ruling cliques in their opposition even to moderate reforms.

The fact is that the Europe we know is being attacked from two directions. It is threatened by the future, but it is also threatened by the past, by those who want to resurrect the Holy Roman Empire or the Ancien Régime. Mr. Krutch is strangely lenient to the second type of invaders. In summarizing their general thesis, he makes it sound almost like a continuation of his own. Briefly it is that military aggression and class privilege formed "part of both the material and the spiritual basis upon which the entity called Europe rested," and that this basis is now "threatened quite as definitely by 'liberals' and 'reformers' as it is by radicals." Communist Russia and liberal America are equal perils to the European man. "Some such conviction as this," Mr. Krutch continues, now speaking in his own person, "is implicit in the attitude of at least the more intelligent representatives of the royalist, neo-Catholic and fascist groups. It might be deduced from the writings of T. S. Eliot or Maurras, just as it could, of course, be discovered in violent, unrationalized form in the utterances of Mussolini or Hitler. Nor is it wise to reject the contention without some analysis."

Mr. Krutch, in sober fact, does not reject it at all. Although his book is filled with continual, often ill informed and sometimes surprisingly violent attacks against the theory and practice of communism, he has not one word to say against the philosophy of the fascist leaders. This of course does not mean that Mr. Krutch accepts their philosophy or hopes to see it put into effect. He is a liberal and a humanitarian; he sincerely hates all dictatorships, but his arguments have carried him into a strategically weak position. By writing a defense of inequality, tradition, authority, he has granted the argument that is central to all reactionary schools of thought; like Troy, he has opened his gates to the wooden horse. He does not agree with Maurras and Mussolini, but he no longer has a logical base from which to combat them.

And there is—to continue this analysis of what is probably the most effective, the best written, and therefore the most dangerous defense of the old order that has appeared during the five years since writers came down from their ivory towers and began mixing in politics—there is a false view of history embodied in the conception and in the very title of Mr. Krutch's essay. Call it pre-Hegelian, pre-Marxian, pre-Spenglerian—the fact is that his interpretation of the past is itself a relic of the past, that it survives from the eighteenth century and disregards all modern efforts to explain the rise and fall of empires and cultures.

In essence he regards history as a succession of states or conditions or stable systems. He speaks as if mankind had

[1] Was Europe a Success? by Joseph Wood Krutch. New York: Farrar and Rinehart. 88 pages. $1.

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inhabited, one after the other, a number of well built houses, the names of which were Egypt, Greece, Rome, Europe. Among Greek philosophers, he seems to follow the doctrines of Parmenides and Zeno the Eleatic, who held that the world is indivisible and nothing changes. Zeno could not solve the riddle of motion and, in the same fashion, Mr. Krutch cannot solve the riddle of cultural decay. In order to explain to himself why Greece and Rome perished, why all these fine houses were torn down, he has to imagine some catastrophe descending on them *from the world outside*. Perhaps I am stating a dilemma that Mr. Krutch has never clearly faced. It is obvious, however, that he thinks of Roman civilization as being overthrown by Barbarians, who were somewhat aided by what he regards as the treachery of fanatical Christians hostile to cultural values. And he draws a terrifying parallel between Rome and modern Europe. Today the Russians —whom he represents as a primitive people absolutely lacking in sensitiveness or personality—are the Barbarians outside the gates, and the Communists—whom he represents as always bigoted and eager for destruction—are the traitors within.

But if I correctly understand the principles of good modern historians, both Marxist and anti-Marxist, man's past and future can by no means be regarded as a series of states or conditions that do not change until they are destroyed. History is a *process*—or rather it is a vast aggregate of processes, some of them tending toward growth and others toward decay and death. It follows that there was never a Golden Age, and that there will never be a Utopia. It also follows that although a few civilizations have been overthrown, most civilizations have decayed as a result of internal conflicts and the triumph of the forces hostile to life. Rome, for example, did not "fall" in 476 A.D. Roman culture was not "trampled underfoot by the Barbarian horde." Confined under the Empire to a relatively small group—that is, to the middle and upper classes of the Roman cities—it was effectively destroyed during the civil wars that lasted throughout the third century. These wars, in turn, were not simply quarrels among military leaders. Recent historians, and notably Professor M. Rostovtzev of Yale, have proved that they also embodied a general revolt of the peasant-soldiers against the privileges enjoyed by the townspeople. Roman culture decayed for many reasons, but one of the principal reasons was that a narrow class had seized it and made it a monopoly. Here is a parallel that Mr. Krutch neglects to draw. The real enemies of culture today are the men who try to confine it to a narrow class. They are the men who burn books and exile their authors, who make it difficult to enter the learned professions, who close the universities to Jews and women. They are the men who justify such actions in terms of high philosophy, and they are, to a lesser degree, all those who fight or merely argue against the widest possible diffusion of art and leisure and security.

"Was Europe a success?" Mr. Krutch can see only two answers to the question. Either the European system is a good system, and therefore should be preserved with all its faults, like a monument, or else it is a bad system and therefore should be demolished like an insanitary tenement. Mr. Krutch takes the first answer and accuses the bogeyman Communists of taking the second. There is, however, a third answer that he never considers. Europe was a success, but it is threatened with decay, and its further life depends on the living forces within it. Europe was a success, but it must change again as it has changed before. To say that childhood or youth was a success does not mean that we should always remain children or adolescents.

MALCOLM COWLEY.

Sweetness Without Light

America's Hour of Decision, by Glenn Frank. New York: Whittlesey House. 263 pages. $2.50.

AMERICAN university presidents are accustomed by their vocation to tread gingerly amidst the critical problems of the hour. The sonorous platitude, the elevation of the art of generalizing to that height where the pronouncement is emptied of all content, the genial rhetoric which, sounding well, need not be remembered after Commencement Day—these are all part of their normal stock in trade. I should judge from this book that President Frank is to university presidents what the late Dr. Frank Crane was to journalists in general. He is unctuous, complacent, platitudinous, verbose. There is never either lightness or precision in his thought. It all goes rolling on, like Tennyson's brook, in a mellifluous babble on the assumption that the unending flow will somehow or other smooth the rocks in the stream. But I have been quite unable to find one page of helpful or serious thinking in this book. It is a third-rate performance by a man who can hardly seriously have tried to think out the issues he discusses.

One sentence may be taken as typical of the whole.

> If government [writes President Frank] will keep clear the distinction between the broad guidance of economic policy and the detailed regimentation of business, granted an adequate and intelligent response from the leadership of private enterprise, the United States has, I think, the chance to evolve a sounder relation between politics and economics than either the communism or fascism of the hour can possibly achieve.

Mr. Frank does not tell us how the distinction is to be made; it is a quantitative matter upon which, except for the generalization I quote, there is no guidance in his pages. He does not tell us what the chances are of this "adequate and intelligent response," in what it would consist, how he views it, for example, in the context of the Senate inquiry into Wall Street. What is the distinction between "adequate" and "intelligent" in his remark? What is meant by the words "of the hour"? Are they intended to save Mr. Frank's support of private enterprise in case communism is successful in Russia or fascism in Germany or Italy?

Or we may take another example. "Governmental intervention in business processes," he tells us, "is often inept. Governmental inspiration of broad economic policy, and, if necessary, its imposition, may now and then be imperative." Could loose thinking go further? If the first sentence means that governments often make mistakes, that is not exactly a discovery. What one wants to know (Mr. Frank has no enlightenment to offer us) are the conditions that make government intervention "inept." And what does "now and then" mean? Is it every so often, *pour encourager les autres*? Or is it under the emergence of some specific state of affairs? If so, what state of affairs? Either Mr. Frank does not know, or he is so preoccupied with his resonant euphony that he does not stay to tell us.

Mr. Frank is all for the good things for the many:

> We must move generally and promptly in the direction of higher wages, shorter hours, lower prices and a narrower profit margin per unit of sale or service. . . .

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> The success of private enterprise in this power age is impossible apart from the prompt construction of an economics of plenty. . . . Taxation has a legitimate role as an instrument of social control. But it is a limited role. . . . We must stabilize our enterprise. If private leadership does not, then public leadership must try. But we must draft our plans for stabilization with the utmost care. . . . The goal of a true stabilization is simply regularized growth. But growth, mind you!

I cull these flowers of creative analysis from within a score of pages. To me they read like extracts from Mr. Babbitt's presidential speech to his local Rotary Club. Why Mr. Frank thought it necessary to publish them I do not know.

He is, of course, as befits a university president, cultivated. He can quote Mazzini, Mill, Morley, Plato, Dean Inge; he has read Lewis Mumford's latest work; he thinks that, though religious belief tends to decline, it has a great contribution to make if it seizes its opportunity; he is aware that experts are not always scientific outside their own field; he knows about the social lag; he wants the scientists (without becoming "suave brain trusters") to depart from their traditional aloofness; he is anxious that something "comprehensively national" be done about education; he believes that the public has the "right to an education which produces an active rather than a passive culture." There is not one page in this volume from which I could not produce clichés as devastating as these I have listed. There are two hundred and fifty pages of this kind of thing. So far as I am able to gather, President Frank takes it all quite seriously. His book is too solemn for any other explanation.

I add that I may be mistaken. Perhaps Mr. Frank has written a piece of glorious irony—a deliberate skit on the incredible literature this crisis has produced, an organized quintessence of all the platitudes man has uttered since he found himself in a world from which the comforting illusions of the Coolidge epoch were stripped away. If that is so, I congratulate him warmly; the thing could not have been better done. As a skit, the book would be a masterpiece; and a man with this sense of humor ought to be, not president of the University of Wisconsin but President of the United States.

HAROLD J. LASKI.

Post-Mortem

The Crucifixion of Liberty, by Alexander Kerensky. New York: The John Day Company. 406 pages. $2.75.

THE FORMER chief of the Provisional Government in Russia wants to prove here that Lenin, acting in agreement with Ludendorff, "crucified Russian liberty on the cross of civil war" and replaced it by a regime that in every respect is worse than Tsarism. This comparison between Bolshevism and Tsarism, favorable to the latter, is the ever recurring *Leitmotif* of Kerensky's book. Lenin is a German spy, the heir of Rasputin, the very devil, while Kerensky is the pure martyr of Crucified Freedom, who falls only because of his chivalry in dealing with his foes. Many persons still believe that Kerensky was a sincere democrat whose weakness of character made him act against his good intentions. Well, Kerensky's own statements will help to dispel this noble illusion. While in power, one of his chief concerns was to protect the Tsar and his family and to send them secretly to England. His political ideal was a constitutional monarchy. He was indeed lenient and quixotic with Korniloff and other counter-revolutionary forces, but he knew well how to be ruthless and energetic when he dealt with a workingmen's uprising. He was angry with the bourgeoisie because it was not shrewd enough to place itself at the head of the revolution in order to defeat it. Thus Kerensky appears to be not a belated and candid liberal, but a forerunner of a political strategy that the capitalists were not as yet prepared to apply in 1917. Speaking of the role of the Bolsheviks in that period, John Reed says: "If they had not succeeded to the government when they did, there is little doubt . . . that the armies of Imperial Germany would have been in Petrograd and Moscow by December, and Russia would again be ridden by a Tsar." This appraisal of the situation is not shaken by Kerensky's book.

NORBERT GUTERMAN.

I Spy

American Secret Service, by Don Wilkie. New York: Frederick A. Stokes Company. 317 pages. $2.75.

Modern Spies Tell Their Stories, by Richard W. Rowan. New York: Robert M. McBride and Company. 494 pages. $2.50.

All's Fair, by Captain Henry Landau. New York: G. P. Putnam's Sons. 329 pages. $3.

CAPTAIN Don Wilkie, bright son of the bright chief of the United States Secret Service, saved the United States fleet from being sunk by German spies right in the Hudson river, by accidentally entering a table-d'hote restaurant off Broadway and overhearing two men talk in guttural accents. When he was sent overseas and really got into his stride, he sank a submarine from an airplane with a well placed bomb; he outwitted the Big Bertha that was shelling Paris; he caught the despair of the British counter-espionage service, the lovely Siren of Grafton Galleries, who sent her messages to Germany transposed into musical notes; and he speeded her to her doom in the Tower of London. His modest narrative is called "American Secret Service."

Charles Lucieto was an ace in the French Secret Service during the War. He was very brilliant and outwitted everybody; he constantly outwitted Irma Staub, who was a fiend and was beautiful and was in turn a German spy. He knew more about the offices of the German Secret Service than perhaps the Herr Direktor did himself. He discovered the plans of the German General Staff to invade Switzerland; he foiled the plot to wreck all the French munitions factories; and when he had arrested the arch-plotter he found on him "a revolver, a burglar's kit, sticks of dynamite, a Bickford hangman's noose and a Bowie knife." . . . Marthe MacKenna, heroic Belgian girl (on whose life the movie "I Was a Spy" was based) almost, but not quite, had to give up her virtue to wrest the secret of the Kaiser's movements from a gallivanting colonel. She caused a whole German division of troops to be destroyed; she blew up a tremendous ammunition depot, for which she was caught: but she had shown such pity to the German wounded that her life was spared. . . . Captain Horst Von Der Goltz slunk around Europe with a dread weapon, a document that proved the German Kaiser to be a bastard son; nevertheless he was a German spy; and in Paris, by switching derby hats, being assisted by bloodthirsty apaches from the *Lapin Agile*, substituting chauffeurs and using chloroform, he stole a Mexican-Japanese treaty from the Mexican Minister of Finance; later he was Pancho Villa's side-kick. . . . And finally the man who called himself Ignatius T. Trebitsch Lincoln, during the

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War outwitted absolutely everyone, and nearly managed to have the entire British fleet sail out from its base, to meet the entire German fleet that was to sail out from its respective base: only he waited too long to decide which one of the Commands he was to betray to the other, because the scheme fell through. . . . The book of their adventures is called "Modern Spies Tell Their Stories."

Henry Landau mentions no deeds of such purple glamor. In "All's Fair," an absorbing and exhaustive book, he tells about the years when he was in charge of all the British espionage behind the German lines. His work must have been of value to the High Command, because though official jobs on the Allied side often were reshuffled and re-handed-out, he was kept at his until he could enter the once more Belgian Brussels and publicly award England's accolade to his former train-watchers, *promeneurs,* letter-boxes and *passeurs.* They had all shared equally in peril, but when the ribbons finally were being pinned on chests, class lines again fenced away a few; and these, of gentler birth, were given the higher decoration. The work had been drab, dull, requiring endless patience, and distinguished from peacetime routine only by the accompanying danger. At Headquarters in Rotterdam, where the scraps of information gathered in all Belgium were compared, checked, checked again and assembled into a pattern of most probability, if a brilliant spy such as before mentioned had come with the usual spy's amazing story he would in all likelihood have been taken for a madman or thrown out for a liar. They couldn't use any news they got when they couldn't check it, and what Henry Landau calls "the biggest scoop of the War" occurred when one day a German deserter arrived at the Rotterdam office and offered to sell a copy of the German Field Post Directory which he had stolen from the Düsseldorf Post Office. The Directory was a complete list of every unit in the German army, and it gave the exact location on the Eastern and Western fronts of each of the German field posts. "The young and anemic looking fellow, who had nervously pulled the package out from under his coat . . . could have demanded and received a fabulous sum for it; instead, he meekly accepted a hundred pounds, the first sum I offered him."

Now the patterns deepened into complete images. Now when a postal card was intercepted, the exact place where the regiment on the address was located was known. Now when a solitary *promeneur* saw on the street of an occupied town unfamiliar insignia, and sent this insignificant item through, the Allies knew a troop movement had occurred. The individual spies sat in houses by the side of a railroad track, well away from the windows and without lights at night, and counted railroad trains. When fifty-two trains had gone by, a division had moved in a certain direction. If the railroad cars were of the drab, freight, windowless variety, it was an infantry division. And when Rotterdam got more and more messages of divisions converging upon a certain sector of the war front, the Allies would take warning that a new offensive was being prepared, perhaps.

The individual spies, like individuals in other fields, beyond their own particular chores, knew nothing, could do nothing, were nothing. If some were caught and shot they could be replaced. (The Allies had what were almost actuary tables for the mortality in the service of espionage.) The individual lone wolf and romantic spy in the World War had the usefulness of a medieval knight in not such shining armor. The gathering of information behind the enemy's lines was done by an organized collective; by individuals all working together for a common end.

Gentlemen, the President

The Roosevelt Omnibus, edited by Don Wharton. New York: Alfred A. Knopf. 174 pages, illustrated. $3.50.

THE Roosevelts, like the Jameses, are a Hudson River family, but they have flared into distinction through politics rather than through literature. The Jameses—or that branch of the family of contemporary interest—derived economically as well as otherwise from William I. For three generations now they have not engaged in money-making as a primary occupation, though they have continued to produce distinguished members. The Roosevelts, however, have alternated between business and government and, while not endowed with any portentous originality, have taken some interest in intellectual affairs as well. Frank Roosevelt's father was a railroad executive and provided some of the money that made possible a political career for his son. This genealogy is of some interest to those who would understand President Roosevelt's roots in the American scene. He derives from a moderately moneyed middle-class family, the same kind of family that produced the Jameses (a circumstance, incidentally, that helps make clear that American culture is all of a piece). His status has been most accurately defined by Louis Hacker: he is a *rentier.* As such he is offended equally by the plundering operations of predatory financiers and the gross exploitation of labor by the hard-boiled industrialists. He would like to see these exploiters restrained, disciplined and made to serve their social function as a service to be "adequately" but not "excessively" rewarded. But he would not like to see the capitalistic system overthrown. This is the economic organization from which all his blessings have flowed; and these are the blessings he proposes to extend to all Americans.

Into the outlines of this basic portrait the man who emerges from "The Roosevelt Omnibus" fits well enough. But in the series of articles here reprinted, and in the accompanying pictures and cartoons, the surface is all: that it saves all I presume to doubt. It matters relatively little that Mr. Roosevelt has a hearty laugh, smokes two packs of Camels a day, wears a size 7⅜ hat, is in a bad humor until he has had his morning coffee, and so on. Nor does his patrician face, here photographically presented from infancy to later manhood, concern us greatly. What really should concern us is something to which this book makes very incidental contribution.

The book tells us of his great capacities as politician and executive; but what we really want to know is to what end he will use these abilities. When we look carefully into that—and the background helps us to our decision—it is plain he will use them to salvage capitalism. He is the ideal man for the job precisely because of his own situation within the system, a situation allowing him to attack specific evils with conviction. But the saving of capitalism is and of necessity must be the aim and object of all of his manipulations, of all the "administrations" he brings into being, of all the excitement and ballyhoo he provokes in the press. The masses will, in the process, once more be "saved" because the middle class must somehow be saved. But nothing is being done, or will be done, to promote their exclusive interests as a class, in spite of the fact that the true solution of our troubles involves precisely that course. It is impossible to see how it will profit the masses much to be tided over until they can be returned to the labor market of capitalism. But that is the upshot of all the juggling currently going on in Washington.

C. HARTLEY GRATTAN

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Science Notes

Through Space and Time, by Sir James Jeans. New York: The Macmillan Company. 224 pages, illustrated. $3.

WHEN Sir James Jeans is at his best he is superb. And it is of his best that he has given in this volume, based on the material presented in the Christmas, 1933, series of the most famous popular scientific lectures in the world: those so brilliantly established as a tradition by Michael Faraday and given for "a juvenile auditory" at the Royal Institution. The subject matter ranges from the earth of billions of years ago to the universe as it may be expected to appear billions of years hence. With all the imagery and grace of which Sir James is a past master, but never neglecting the hard core of ascertained fact, the book takes us on a gigantic exploration "through space and time": air, sky, moon, planets, sun and stars pass before us, individually and in relation to each other; we are told of the "radium clock" by which the earth's age is determined; of radio waves; of the mistakenly called "canals" of Mars; of sunspots, double stars and Cepheid "variables." Dramatic description is accompanied by matured theoretical analysis of cosmic processes, so that the reader finishes the volume with the conviction that, however remote from actual living his new knowledge is, it is at least sound and coherent.

From Galileo to Cosmic Rays: A New Look at Physics, by Harvey Brace Lemon. The University of Chicago Press. 450 pages, illustrated. With stereopticon lens. $5.

This is an extraordinary and notable volume: a "textbook" on one of the most abstruse of the sciences that can actually be read, enjoyed and depended upon by student and layman alike. Dr. Lemon, of the University of Chicago, is revealed as a teacher of genius who, without recourse to rhetoric, gifts of style or dramatic interludes, succeeds in vitalizing the basic principles of the science whose foundations were laid by Galileo. Beginning with Mechanics, continuing with Heat, Electricity and Magnetism, Electricity and Matter, and ending with Waves and Radiation, the fortunate reader is conducted through a world of forces, facts and phenomena that are everywhere and always about him, but of whose meaning and interrelations he is usually quite ignorant. Despite the absence of terrifying mathematical formulas—and with the aid of numerous clever illustrations and a wealth of homely examples—the basic laws of physics, from Inertia to Radiation, are presented clarified, shown in action. All metaphysics is avoided, as is the other extreme of naïve materialism: Dr. Lemon wrote his book for those who wish honestly to understand the principles of a science nowadays victimized by God-seekers. He has succeeded to a remarkable degree and it is to be hoped that his "textbook" will serve as a model for equally gifted authorities in other fields.

Medicine Marches On, by Edward Podolsky. New York: Harper and Brothers. 360 pages. $3.50.

The chief merit of this book—its great quantity of odd and exciting facts about the healing art—is also one of its disadvantages. Dr. Podolsky fairly bubbles over with information and anecdotes on poisons, bacteria, glands, surgery, psychiatry, sex, diseases, drugs and remedies, and for those who are content to read as they run his book is good enough. Much attention is paid to recent developments in the various fields of medicine and a rather long section on "Music and Health" will be of interest to psychologists. But while such expressions as "[illegible]" surgery and "soul surgery" for psychoanalysis may get by in a tabloid feature story, in such a work as this they only make a reader suspicious. There is no question of Dr. Podolsky's wide knowledge of his subject; it is merely too bad that he chose to present it with too much of the sideshowman's skill and too little of the scientist's thoroughness. The index is inexcusably bad.

Heredity and Disease, by Otto L. Mohr. New York: W. W. Norton and Company. 253 pages, illustrated. $3.50.

This latest contribution to the vigorously growing science of Genetics may be heartily recommended to the layman because of the skill with which the material has been selected, the high degree of accuracy in presentation, and a point of view wholly devoid of the emotional irrelevancies so characteristic of the usual eugenic approach. The author, a professor of Medicine at the Royal Frederiks University of Oslo, Norway, begins very early in his volume to correct alarmist views regarding human heredity. Thus, with reference to the tragic character in Ibsen's "Ghosts," Dr. Mohr bluntly remarks that "genes which produce syphilis or tuberculosis do not exist; these diseases are due to environmental agencies." As we *inherit* only what comes to us through our genes, and as the genes have not yet been scientifically correlated with strictly mental diseases, the old problem of the environment reacquires, but on a higher level, the importance attached to it by Weissmann and his disciples. There is much valuable technical information on breeding and related genetic topics; there are shrewd comments on X-rays, alcohol, cancer, degeneration and race-crossing ("from the point of view of a pure-bred dog," remarks Dr. Mohr, "we are all curs"); on the absurd belief in "maternal impressions," and on sterilization, of whose reputed social value the author has grave doubts. A set of photographs illustrating various types of hereditary disease will give the inexperienced reader a bad turn.

Adam's Ancestors: An Up-to-date Outline of What Is Known about the Origin of Man, by L. S. B. Leakey. With a foreword by Sir F. Gowland Hopkins. New York: Longmans Green and Company. 244 pages, illustrated. $3.20.

"Pre-history" has had a very considerable development since the work of such pioneers as Marcellin Boule, the Abbé Breuil and W. J. Sollas. In this attractive volume the cream of our present knowledge of this fascinating but difficult subject is presented by an authority whose own work in Kenya Colony and Rhodesia has compelled drastic —and for the most part wholesome—corrections of former views. Dr. Leakey summarizes the early history of the science, stressing the significance of fossil remains, reconstructing a little of the life of early types of *homo sapiens*. The geological and geographic environment of the first *hominids* is described; early tools, of flint, bone and mineral, are analyzed, their characteristics pointed out and associated with the well known but still confused epochs from Pre-Chellean through Mousterian to the Magdalenian. The exacting task of interpreting these early cultures on the basis of such ambiguous remains and their geological milieu is remarkably well done, as is that of describing the anatomical differences between apes and man and between the various forerunners of the present human species. A final chapter, "What of the Future?" emphasizes the theme of "change, change, unceasing change," and foresees great advances in our knowledge of the past—from a patient study of which the author believes we may gain a larger understanding (and perhaps control") of the future.

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Books in Brief

Ten Introductions: A Collection of Modern Verse, edited by Genevieve Taggard and Dudley Fitts. New York: Arrow Editions. 104 pages. $2.

Of the ten contributors to this anthology of younger poets, five may be critically ignored because their work witnesses neither special substance nor aptitude for the craft of language—you merely wait in unspecified hope. Of the others: Theodore Spencer is the poet of small natural span making by the best use of competence and wit and sensitivity good minor poetry. Lincoln Kirstein dramatizes the immediate and the violent without stint, but in the vivid excitement of his "Chamber of Horrors" he is overeffective because he has not learned what to omit. James Neugass makes radical social symbols out of satire and acute perception. Robert Fitzgerald is in the process of achieving a complex craft for defining difficult material; that he leans on his masters is not necessarily against him. Don Stanford makes objects of meditation, and his words grow together by what they imply. These five actually indicate, in the editors' words, "fresh sources of poetry." R. P. B.

Emergency Exit, by A. E. Coppard. New York: Random House. 71 pages. $5.

A. E. Coppard has written better stories than this one about an Englishwoman and her three lovers; he has also written worse. The story's isolation in a slim, handsome volume seems to emphasize its virtues and defects. There are his usual decisive approach to characters and his vivid use of a language that is spoken on the street. There is also a feeling that his form has proved inflexible and that all this might have been written by him ten years ago with no less depth or variety. J. C.

Contributors

STUART CHASE is one of America's well known writers on social and economic subjects. He is the author, among other books, of "The Economy of Abundance," "A New Deal," "Mexico: A Study of Two Americas" and a recently published pamphlet, "Move the Goods." He spoke over the radio a few weeks ago in a broadcast to England.

MARY HEATON VORSE, author of "Growing Up," "Men and Steel" and "Strike," has contributed articles on political and social subjects to various magazines. During the past summer she reported the New England textile strike for The New Republic.

HAROLD J. LASKI is the author of numerous studies of economics and politics, including "The Foundation of Sovereignty and Other Essays." His most recent book is "Democracy in Crisis."

NORBERT GUTERMAN is one of the editors of Avant-Poste, a French critical review, and translated John Dos Passos' "The Forty-second Parallel" into French.

NATHAN ASCH is the author of "The Office," "Love in Chartres" and "Pay Day." He is now living in New York, where he takes an active part in the Film and Photo League.

C. HARTLEY GRATTAN is the author of "The Three Jameses," "Bitter Bierce" and "Why We Fought." He contributes essays on literary and political themes to various magazines.

HAROLD WARD'S special interest lies in the field of science and technology. He writes regularly on "The Sciences and Society" for The Living Age.

The initials signed to the brief reviews are those of R. P. Blackmur and Jon Cheever.

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"The Backgrounds of the Longing for Dictatorship."

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DOCTOR HENRY J. FRY
"The Structure of Man."

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